From: Kelley, Jeff [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP

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Sent: 2/13/2018 11:36:11 PM

To: Rowan, Anne [rowan.anne@epa.gov]
Subject: Fwd: News Clips - 13 February 2018

Jeff Kelley

Director, Office of External Communications U.S. EPA Region 5 ph: 312-353-1159

Begin forwarded message:

From: "Hassell, Emily" < hassell.emily@epa.gov>
Date: February 13, 2018 at 3:18:22 PM CST

To: AO OPA OMR CLIPS < AO OPA OMR CLIPS@epa.gov>

Subject: News Clips - 13 February 2018

(Full stories, highlights, and details are listed further down in the email, and can be jumped to by clicking on any of the links below.)

2019 Budget

E&E Greenwire - Pruitt talks 'war on lead,' but budget says little

Politico - EPA budget would tilt toward states, but cut funding for them

Washington Post - Trump budget seeks 23 percent cut at EPA, would eliminate dozens of programs

E&E Greenwire - Proposal would cut funding by 23%, ax hundreds of jobs

E&E Greenwire - As EPA touts cleanups, Trump seeks cuts in regulatory grants

Washington Examiner - Proposed EPA cuts dovetail with Trump infrastructure plan

<u>E&E News PM - Trump proposes 25% funding cut for vehicles lab</u>

Detroit News - Trump budget slashes funding for Great Lakes cleanup

AP - Trump budget again targets regional water cleanup programs

E&E Climatewire - Climate loses in Trump's plan. Here's who wins

E&E Climatewire - White House preserves Energy Star by charging fees

E&E Greenwire - IG says Trump's budget would hobble investigations

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Washington Examiner - EPA reaches \$10 million settlement with Shell

AP - O'Hare Airport gets EPA grant to reduce carbon emissions

E&E News PM - Okla. auditor: Pruitt 'acted improperly' on Tar Creek audit

E&E News PM - Strategic plan stresses 'rule of law,' silent on climate

Politico - EPA strategic plan avoids climate change

The Hill - EPA numbers hint at eased enforcement under Trump

E&E Energywire - EPA moving to give states control over CO2 storage

E&E Greenwire - Forecast: 'Tsunami of regulatory litigation'

AP - Sen. Markey: Trump infrastructure plan a monetary mirage

The Hill - Going in reverse on fuel efficiency will ultimately hurt consumers

E&E Greenwire - EPA oversight of states inconsistent — IG

<u>E&E Climatewire - White House plan erodes oversight in floodplains</u>

New York Times - Here Are the Places That Struggle to Meet the Rules on Safe Drinking Water

Bloomberg - Safety Gains From Heavier Cars May Be Cited to Cut Mileage Rules

E&E Greenwire - After court order, EPA sets hearing on Conn. petition

Madison.com - Wisconsin DNR's No. 2 to rejoin Cathy Stepp at EPA

E&E Greenwire - Judge rejects Gold King contractor's bid to dismiss lawsuits

Chicago Tribune - Judge denies East Chicago residents role in cleanup negotiations

Reuters - Syngenta Seeds settles Hawaii pesticide-exposure action by EPA

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E&E Greenwire

https://www.eenews.net/greenwire/stories/1060073761/search?keyword=EPA

Pruitt talks 'war on lead,' but budget says little By Ariel Wittenberg, 2/13/18 U.S. EPA Administrator Scott Pruitt has promised Congress he'll wage a "war on lead" in fiscal 2019. But the agency's budget proposal released yesterday offers scant details on the effort.

In fact, while the Trump administration supports funding programs that help local communities pay to improve water infrastructure — including replacing lead pipes — EPA also proposes cuts to programs that have worked on lead contamination issues.

The agency's \$84 million request for drinking water programs represents a \$15 million decrease from current levels. Those proposed cuts come mostly from environmental programs, where EPA says it is "streamlining activities."

The agency is actually requesting a slight \$100,000 increase in funding for science and technology in drinking water programs. Overall, funding for those programs would be spent, in part, to "continue to evaluate and address drinking water risks in 2019," the budget states, including "evaluating recommendations from stakeholders to develop revision" to the Lead and Copper Rule.

EPA says it will "continue to focus on working with states to optimize corrosion control treatment and develop other strategies to minimize exposure to lead."

Also on the chopping block is the Safe and Sustainable Water Resources Research Program. The administration is proposing a \$38 million cut from current levels to fund the program at \$67 million in 2019.

The budget notes researchers from that program are working to develop sampling protocols and exposure risk assessment models for lead in drinking water. Researchers there also recently evaluated lead corrosion control treatment strategies with partner utilities in eight states "to inform implementation" of standards for lead in drinking water.

But the proposal does not mention any lead-related research in a list of "high priority" efforts for the program in fiscal 2019. Instead, that list focuses on stormwater capture, using wetlands to improve drinking water, monitoring of waterborne pathogens, investigating harmful algal blooms and researching water reuse methods.

The administration is also proposing a 33 percent cut to the public water system supervision grant, which provides technical assistance to owners and operators of drinking water systems on how to monitor and sample drinking water and respond to violations.

While EPA emphasized the importance of lead-in-water programs in the budget, it is again proposing to eliminate the Lead Risk Reduction program, which works to reduce the number of children with blood lead levels of 5 micrograms per deciliter or higher. The program, which aims to reduce disparities in blood lead levels between children of different socioeconomic classes, has often focused on lead paint removal, not drinking water.

EPA is also proposing an \$80 million cut to research in the Sustainable and Healthy Communities program, which, among other things, has been researching how various sources of lead poisoning, including water and paint, contribute to blood lead levels in infants.

The budget does emphasize infrastructure improvements, listing infrastructure first on a list of fiscal 2019 funding priorities.

"A top priority for EPA is modernizing the outdated water infrastructure on which the American public depends," the budget states.

Indeed, three grant programs that help state and local governments improve drinking and wastewater infrastructure were some of the only programs for which EPA is requesting increased funding over current levels in a budget that proposes an overall 23 percent cut from fiscal 2017 funding for the agency.

EPA is requesting \$2.3 billion for the Clean Water State Revolving Fund and Drinking Water State Revolving Fund, as well as \$20 million for the Water Infrastructure Finance and Innovation Act.

Those proposed increases come as Congress is considering a similarly sized bump to water infrastructure funding grants.

The agency writes that these grants are crucial to solving the nation's lead-in-water crisis.

"Clean and safe drinking water is critical to the health of communities," the budget states. "While most small systems consistently provide safe and reliable drinking water, many small systems face challenges with aging infrastructure, increasing costs and decreasing rates bases, making the drinking water [state revolving fund] an important source of funding for these communities. This SRF funding also supports efforts across the country to eradicate lead pipes that may leach into the nation's drinking water supply."

The budget mentions its effort to revise standards for lead in drinking water only a handful of times, and EPA officials are similarly mum on the issue.

Peter Grevatt, director of the Office of Ground Water and Drinking Water, declined to answer questions about whether EPA is considering requiring utilities to begin replacing lead pipes when approached by E&E News after a speech at the Ground Water Protection Council in Tulsa, Okla., yesterday.

"It's really premature to be able to answer that question," he said.

"It's important to know that EPA hasn't yet issued a proposal, so we're still thinking through these issues," he said of the revised lead standards.

Grevatt noted EPA is in the middle of its "federalism consultation" on lead-in-water regulations, and said the agency's proposed changes to standards would be based on that process, along with recommendations the agency received in 2015 from the National Drinking Water Advisory Council and lessons learned from the Flint, Mich., drinking water crisis.

Politico

https://www.politicopro.com/energy/article/2018/02/epa-budget-would-tilt-toward-states-but-cut-funding-for-them-340952

EPA budget would tilt toward states, but cut funding for them

Py Emily Holdon, Appie Spider, and Alex Guillon, 3/13/18, 5:35 Pl

By Emily Holden, Annie Snider, and Alex Guillen, 2/12/18, 5:35 PM

The Trump administration's plan to slash EPA's budget by more than a quarter is aimed at moving the agency toward Administrator Scott Pruitt's goal of shrinking its footprint and shifting environmental regulation back to the states — even as it would cut the funding that states often rely on to implement federal programs.

The White House proposed a 26 percent cut in EPA spending from fiscal 2017 levels, including the last-minute infusion of money after Congress raised spending caps last week, H.R. 1892 (115). Without those funds, EPA's budget was targeted to shrink 34 percent.

Under the proposed cuts, the number of EPA employees would fall to 12,250, from 15,408, the agency said.

"As EPA continues to focus on its fundamental responsibilities, and strengthens its relationships with States and Tribes on the implementation of Federal environmental laws, there is an opportunity to reshape the Agency's workforce, ensuring that EPA operates efficiently while maintaining critical skills and expertise," a White House budget summary says.

EPA's budget request would organize agency spending around the Trump administration's goals, categorizing 71 percent of spending as going toward the agency's "core mission" and 25 percent for "rule of law and process," which Pruitt has described as scaling back rules he says exceed EPA's authority and easing the regulatory burdens for industry. The remaining 3 percent would be designated for cooperative federalism, or working with states that implement federal laws.

Despite its emphasis on returning control to states, the budget would slash key grants it provides them by 16 percent to a total of \$2.9 billion. And it would cut funding to state and local air agencies even more, by 34 percent, to \$152 million.

"It's literally half of what we need," said Miles Keogh, executive director of the National Association of Clean Air Agencies. "If we see another 30-something percent cut, we go from doing the minimum required by law to a lot less than that."

The agency budget briefing book calls for a "robust enforcement program," focusing on programs that aren't delegated to the states, with a priority on creating "consistency and certainty for the regulated community." EPA also wants \$29 million to streamline permitting and reporting and \$907 million to "improve efficiency and effectiveness."

Compared to its request last year, EPA is asking for a modest increase in spending on criminal enforcement to \$48.2 million from \$44.5 million, and about 60 percent more, or \$151 million, for Superfund enforcement.

The budget again invites a fight with Congress by targeting programs popular with states. Last year, the Trump administration got an earful from lawmakers by proposing to eliminate geographical watershed programs. This year EPA offers two watersheds — the Great Lakes and Chesapeake Bay, which it dubs "waterbodies of national significance" — one-tenth of the funding they received in fiscal 2017. That money would be only for monitoring, unlike the current funding that supports a range of cleanup, restoration and planning activities. In addition, the budget targets the popular National Estuary Program for elimination.

Other programs popular with Congress that are targeted for significant cuts are the Diesel Emissions Reduction grant program and water infrastructure in Alaska Native villages. The proposal would reduce money for brownfields, pesticides and wetlands. The budget would zero out climate work, targeted airshed grants, beach cleanups and projects targeting lead and radon pollution. EPA would change the well-known Energy Star program to a fee-based system in which companies are required to pay to get their products labeled as energy efficient.

Spending on Superfund would remain steady, while water infrastructure — a Trump administration priority — is one of the budget's winners. The Clean Water and Drinking Water State Revolving Funds would hold level, with additional funds meant to reflect Congress' recent increase of spending caps. The

budget would fund the Water Infrastructure Finance and Innovation Act program at \$20 million, which EPA said could leverage as much as \$2 billion in credit assistance.

However, even as Pruitt touts his "war on lead" and prioritizes drinking water protection, the budget would cut the agency's drinking water program focused on human health by more than \$15 million, or roughly 17 percent.

In a twist of irony, a cross-border program in which EPA helps fund upgrades at wastewater treatment plants in Mexico to stanch the flow of sewage across the border into California would be zeroed out under the budget. Southwestern border patrol agents have asked for \$20 million, and pointed out that President Donald Trump tweeted about the issue last summer.

Washington Post

https://www.washingtonpost.com/news/energy-environment/wp/2018/02/12/trump-budget-seeks-23-percent-cut-at-epa-would-eliminate-dozens-of-programs/?utm_term=.480ff1a76ce3

Trump budget seeks 23 percent cut at EPA, would eliminate dozens of programs By Brady Dennis, 2/12/18, 4:39 PM

The White House is seeking to cut more than \$2.5 billion from the annual budget of the Environmental Protection Agency — an overall reduction of more than 23 percent.

The fiscal 2019 proposal released Monday marks the Trump administration's latest attempt to shrink the reach of an agency that the president once promised to reduce to "little tidbits." The EPA already has lost hundreds of employees to buyouts and retirements over the past year, and its staffing is now at Reagan-era levels.

Under the latest budget, the agency would continue to shrink in size and ambition, leaving much more of the work of environmental protection to individual states. The administration said Monday that its proposal will help "return the EPA to its core mission," reduce "unnecessary reporting burdens on the regulated community" and eliminate programs that "create unnecessary redundancies or those that have served their purpose and accomplished their mission."

But environmental groups on Monday were quick to criticize the proposal, calling it a thinly veiled attempt to gut federal environmental safeguards.

"The Trump administration budget released today is a blueprint for a less healthy, more polluted America," Fred Krupp, president of the Environmental Defense Fund, said in a statement. "A budget shows your values — and this budget shows the administration doesn't value clean air, clean water, or protecting Americans from toxic pollution."

The administration's plan would cut several dozen programs altogether. Among them: funding for state radon-detection initiatives, assistance to fund water system improvements along the U.S.-Mexico border and partnerships to monitor and restore water quality in the Gulf of Mexico, Puget Sound and other large water bodies. Funding for restoration of the Chesapeake Bay would fall from \$72 million to \$7 million, and a similar program for the Great Lakes would be cut from \$300 million to \$30 million — though neither would be completely wiped out.

The head of the Chesapeake Bay Foundation called the proposal "another assault on clean water, from a president who campaigned saying he valued it."

"This administration says they want to partner with states, but a 90 percent budget reduction says the opposite," William C. Baker said in a statement. "The Chesapeake Bay Program is the glue that holds the state/federal partnership together. A cut of this magnitude would severely damage Bay restoration efforts, just at a time when we are seeing significant progress."

In addition, the Trump budget would eliminate — or very nearly eliminate — the agency's climate change-related programs. Funding for the agency's Office of Science and Technology would drop nearly in half, from \$762 million to \$489 million. And funding for prosecuting environmental crimes and for certain clean air and water programs would drop significantly.

The Superfund cleanup program, a priority of EPA Administrator Scott Pruitt, would not face the same draconian reductions as were proposed last year. The agency expects to use the \$1 billion fund "to reduce administrative costs, identify efficiencies, and prioritize the cleanup of sites."

The agency also would receive an additional \$397 million to bolster investment in wastewater and storm water infrastructure. The White House is no longer seeking to eliminate the Energy Star program, though it would be funded entirely through fees.

The fiscal 2019 proposal comes a year after the Trump administration proposed slashing the EPA's budget by 31 percent, as well as cutting 3,200 positions, or more than 20 percent of the agency's workforce.

"You can't drain the swamp and leave all the people in it. So, I guess the first place that comes to mind will be the Environmental Protection Agency," Mick Mulvaney, director of the White House Office of Management and Budget, told reporters at the time. "The president wants a smaller EPA. He thinks they overreach, and the budget reflects that."

E&E Greenwire

https://www.eenews.net/greenwire/stories/1060073607/search?keyword=EPA

Proposal would cut funding by 23%, ax hundreds of jobs

By Kevin Bogardus, 2/12/18

President Trump proposed drastic budget cuts today for U.S. EPA, although not as deep as last year.

Under his fiscal 2019 budget plan, EPA would receive \$6.15 billion in funds, about a 23 percent decrease from funding levels enacted for fiscal 2017.

Some of EPA's relief is due to Congress' passage last week of a two-year budget deal that raised spending caps.

In an addendum included today with the White House's budget blueprint, the Trump administration would send an additional \$724 million to EPA for fiscal 2019, specifically to help clean up toxic waste sites in the Superfund program and fund grants to help build water infrastructure projects.

With those added funds, Trump proposed the \$6.15 billion EPA budget. The president had planned to offer \$5.4 billion for the agency's funding in fiscal 2019 before the budget agreement was reached last week, according to other White House budget documents.

Trump would have proposed a smaller dollar amount for EPA in fiscal 2019 than what he offered under last year's plan without the additional funds from the budget deal. For fiscal 2018, the White House planned for \$5.7 billion for EPA under his budget blueprint.

Still, Trump's EPA fiscal 2019 budget released today also falls far below what Congress has proposed for the prior fiscal year.

Under the House appropriations bill, EPA would receive \$7.5 billion in fiscal 2018. It would receive even more funds, \$7.91 billion, under the Senate version of the bill for that year. Congress still hasn't approved fiscal 2018 spending, so those figures are not final.

The budget deal passed last week raised spending caps in fiscal 2018 and 2019 for \$300 billion more in defense and non-defense funds. That legislation did not set out specific appropriations, so it may not save energy and environmental agencies from future targeted budget cuts by the Trump administration.

Several EPA programs remain on the chopping block, or would see their funding source reworked under Trump's budget plan.

As part of Trump's plan, EPA would administer its Energy Star program, meant to improve energy efficiency, through collecting user fees rather than from agency funds.

Trump is also requesting the elimination of a number of voluntary partnership programs related to energy and climate change, saying they aren't essential to EPA's core mission and can be implemented by the private sector. Fiscal 2017 enacted spending levels for these programs were \$66 million.

Overall, the fiscal 2019 budget proposal would bring in substantial savings for EPA. The plan would eliminate funding for several EPA programs that cost the agency \$598.5 million.

Hundreds of employees would leave the agency under Trump's budget blueprint.

Trump's fiscal 2019 plan for EPA has funding for 12,250 full-time employees, comparable to Reagan-era staffing levels at the agency. That's still more employees at EPA than what Trump had proposed for fiscal 2018, which was about 11,600 workers.

EPA currently has about 14,000 employees.

In its fiscal 2019 proposal, the White House said its budget plan focuses EPA on its "core mission," which would help restrain federal spending and "promote operational efficiencies" that would improve the agency's performance.

As they did for fiscal 2018 legislation, lawmakers in both parties are likely to ignore Trump's fiscal 2019 budget plan. Environmental groups were quick to pan the proposal, along with the president's infrastructure plan that was also released today.

"This year Trump once again recommends gutting the agencies that protect our clean air, water, lands and wildlife, while adding an extreme rollback of our bedrock environmental laws disguised as an infrastructure plan," Tiernan Sittenfeld, the League of Conservation Voters' senior vice president for government affairs, said in a statement.

Water

The Trump administration is requesting just 10 percent of the funding EPA normally receives for the Great Lakes Restoration Initiative and Chesapeake Bay Program.

Historically, the Great Lakes and Chesapeake Bay programs have received roughly \$300 million and \$73 million, respectively. EPA is now requesting just \$30 million for the Great Lakes Restoration Initiative and \$7.3 million for the Chesapeake Bay Program.

The administration proposes eliminating funding for the six other geographic programs, including those for Puget Sound and Long Island Sound.

The White House says the proposed budget "enhances monitoring of America's significant watersheds."

"The Budget provides funds to support basin-wide monitoring in these watersheds, which would assist decision-making on health and economic issues including harmful algal blooms and invasive species management," the administration writes.

"The Budget also supports cooperative federalism by building State and local capacity to conduct monitoring, while recognizing that the primary responsibility for local ecosystem restoration rests with States and local groups."

Last year, the administration proposed zeroing out all regional programs, including those for the bay and Great Lakes, prompting outrage from regional lawmakers.

While the House and Senate have not yet agreed on spending for fiscal 2018, they will not be eliminating those programs.

Both House and Senate proposals would maintain funding for the Great Lakes initiative at \$300 million, while a Senate proposal would maintain funding for the Chesapeake Bay Program at \$73 million, and a House bill would provide \$60 million.

The administration's budget proposal also states that EPA would support other Clean Water Act-related programs nationwide, including water quality criteria, total maximum daily loads, National Pollutant Discharge Elimination System permits, water infrastructure and "core wetlands programs."

In the budget blueprint, EPA also vows to work with states and tribes on reducing contaminants in drinking water by revising standards for lead and copper.

In addition, the administration requests more funding for programs to help fund drinking water and wastewater system improvements.

The fiscal 2019 proposal includes \$2.3 billion for the Clean Water State Revolving Fund and Drinking Water State Revolving Fund. That request lines up with a Senate proposal.

Just under \$400 million of that was requested following Congress' budget deal, and that portion of funding would be spent on investments in wastewater and stormwater infrastructure.

The administration writes that the rest of the State Revolving Fund request would be used "to reduce lead exposure and ensure small and disadvantaged communities have access to clean and safe water."

The administration also requests \$20 million for the Water Infrastructure Finance and Innovation Act program. The administration estimates that funding would result in \$2 billion in credit assistance to communities, which could spur up to \$4 billion in infrastructure investment when combined with other funding sources.

EPA is requesting \$84 million for drinking water programs. That funding would be put to work as EPA revises lead and copper standards for drinking water.

The administration requests an additional \$1 billion for direct loans under the Water Infrastructure Finance and Innovation Act program.

Superfund, chemicals

The president's budget would be a mixed bag for Superfund and lead paint cleanup efforts, two of EPA Administrator Scott Pruitt's top environmental priorities.

The Superfund program, which the administrator has vowed to improve, was initially slated for a \$327 million cut from its current spending level of almost \$1.1 billion.

The Office of Management and Budget justified those cuts by pointing to legislative reforms to the program that the White House proposed in its infrastructure plan (see related story).

But in recognition of the more generous two-year budget deal struck by Congress, OMB ultimately recommended restoring those Superfund cuts.

The "war on lead" that Pruitt has talked about waging could take a hit, as well. The budget calls for zeroing out categorical grants to support state and tribal authorized programs to train lead paint professionals and the Lead Risk Reduction Program, a certification effort.

The cuts would save about \$14 million and \$13.2 million, respectively. The budget notes that the Chemical Risk Review and Reduction program would take on the responsibilities of the eliminated lead paint efforts.

The administration made similar proposals regarding lead paint programs last year. The corresponding increase to the Chemical Risk Review Reduction program, however, didn't offset those suggested cuts (Greenwire, Dec. 8, 2017).

The budget also calls again for the elimination of the U.S. Chemical Safety Board. The independent agency, which is tasked with reviewing accidents at chemical facilities, would receive \$9 million in fiscal 2019 — just enough to wind itself down.

CSB's investigations have often focused on "need for greater regulation of industry, which frustrated both regulators and industry," OMB argued. Because of that and the "relative duplicative nature of its work," Trump renewed his request to end the agency.

Congress rejected that proposal in the president's previous budget and held the agency's spending level steady at \$11 million.

Air pollution, climate change

As part of a broader reorganization, the proposed budget would abolish the "Clean Air and Global Climate Change" account, which is expected to receive \$245 million in fiscal 2018. Instead, that money — along with funding previously allocated to other core land, water, heathy communities and compliance programs — would be folded into two new accounts, dubbed "Core Mission" and "Rule of Law and Process."

Together, those core programs are projected to receive \$739 million in fiscal 2018; the two new accounts that would replace them are in line for \$469 million in 2019, a reduction of almost 37 percent.

Traditional program boundaries would similarly be erased for state and tribal assistance grants, with overall funding slashed 30 percent, from \$3.4 billion in discretionary budget authority this year to \$2.4 billion in 2019.

The proposed budget would revive a "multipurpose" grant program that would give states \$27 million for carrying out mandatory responsibilities for delegated programs. After Congress launched the program in fiscal 2016, to the tune of \$21 million, it has not since received any follow-up funding.

But the administration is again trying to chop funding for the popular Diesel Emissions Reduction Act grant program, which hands out money to replace or retrofit older diesel-fueled vehicles and other equipment. In fiscal 2017, lawmakers gave the DERA program \$60 million; for fiscal 2019, the White House is proposing to allocate \$10 million.

Trump is also requesting significant investment in "cooperative federalism," under which advocates say EPA and states would work collectively to protect the environment and public health, rather than EPA sending down mandates from on high.

Under the budget request's environmental programs and management, Trump is asking for \$148 million for cooperative federalism. He's also requesting \$68 million for state and tribal grants to be set aside for the practice.

Investing in cooperative federalism has long been a priority for Pruitt, who endorsed the notion in his long-term strategic plan, setting a broad goal of rebalancing "the power between Washington and the states to create tangible environmental results for the American people."

Last summer, the Environmental Council of the States asked Pruitt to increase the flexibility for states to account for local ecological, social and economic conditions specific to a region. It argued that state programs have matured over the last 10 to 20 years and are now capable of adequately addressing environmental challenges (E&E News PM, June 12, 2017).

Democrats and former EPA employees have urged caution around this area, saying cooperative federalism amounts to the federal government renouncing oversight of state programs. States aren't funded well enough to operate with maximum efficacy without federal assistance, they argue (E&E Daily, Jan. 24).

E&E Greenwire

https://www.eenews.net/greenwire/stories/1060073779/search?keyword=EPA

As EPA touts cleanups, Trump seeks cuts in regulatory grants By Sean Reilly, 2/13/18

On the same day that U.S. EPA chief Scott Pruitt officially enshrined the words "clean air" in his agency's core mission statement, the Trump administration sought to slash grants to state and local air agencies by more than one-third.

Another grant program intended to reduce emissions from older diesel-fueled equipment would be cut by more than 80 percent under the administration's fiscal 2019 budget request, released yesterday.

And a third, intended to help clean up soot and ozone hot spots, would be eliminated entirely and staffing at a key EPA air office significantly reduced.

The White House attempted similar cuts last year, only to be largely rebuffed on Capitol Hill. Hours after the proposed budget went public, some advocates were already rooting for a similar outcome this time around.

"I hope Congress will see things differently than the administration does," Miles Keogh, executive director of the National Association of Clean Air Agencies, said in an email. The association's members include almost 160 state and local air regulators, according to its website. In a statement, Keogh said the proposed \$75 million cut in grants to those agencies — which would leave their 2019 funding at \$152 million — is even deeper than what the administration sought last year.

Given that the White House wants state and local agencies to assume new responsibilities under the banner of cooperative federalism, Keogh said, "more funding, not less" is needed.

The administration also hopes to slash the Diesel Emissions Reduction Act (DERA) grant program, which hands out money to replace or retrofit older diesel-fueled vehicles and other equipment with newer cleaner-burning models. The program this year is getting \$60 million; Trump's budget would cut that number to \$10 million.

Funding for the targeted airshed grant program would be erased. The program, which is receiving \$30 million this year, is intended to help areas suffering from particularly severe pollution from ozone and fine particulates, which are commonly known as soot.

Neither proposal is likely to fly with lawmakers. The DERA program enjoys support from a broad coalition that encompasses both engine makers and environmental groups; defenders of targeted airshed grants include Sen. Lisa Murkowski (R-Alaska), who chairs the Senate Interior, Environment and Related Agencies Appropriations Subcommittee. A Murkowski spokeswoman stopped short of critiquing on the White House's proposal yesterday but noted that it's only "the first step" in a process that will ultimately be concluded by Congress.

At the Association of Air Pollution Control Agencies, with some 45 members clustered in the South and West, Executive Director Jason Sloan said in an email this morning that the group is reviewing the administration's proposal "and will continue to closely follow the congressional appropriations process."

The White House's proposed cuts to air programs are part of a draft 2019 budget that would chop overall EPA spending by 23 percent, to \$6.15 billion (Greenwire, Feb. 12). They stand in higher relief this year in light of the simultaneous release yesterday of EPA's new long-term strategic plan, which defines the agency's core mission as delivering "real results to provide Americans with clean air, land and water, and ensure chemical safety."

EPA spokespersons did not reply to an email sent late yesterday asking how the proposed reductions square with that mission. The strategic plan also calls for EPA to reduce the areas in nonattainment for various air pollution standards from 166 to 138 by late next year. But the draft budget would cut money for the agency's Office of Air Quality Planning and Standards — which has the lead in that process — from almost \$69 million to about \$47 million. The office's workforce would fall from about 360 employees to 240.

The administration would be similarly tough on the Office of Enforcement and Compliance Assurance (OECA). The office's funding would tumble 24 percent to about \$411 million; total staffing would drop 29 percent to around 2,000 employees.

The administration is pursuing those cuts even as the strategic plan lists improvement in a key yardstick of Clean Water Act compliance as one of a half-dozen priority goals. By the end of September 2019, the

plan says, the agency will reduce the percentage of National Pollutant Discharge Elimination System permit holders in "significant noncompliance" from 24 percent to 21 percent, according to the plan.

But for EPA, the administration's proposed budget "would be a huge blow" to both civil and criminal enforcement, even more so than the aggregate numbers would suggest, according to Cynthia Giles, who headed the Office of Enforcement and Compliance Assurance under the Obama administration.

While the White House would protect enforcement of the Superfund program, she said in an email to reporters this morning, "everything else is drastically cut."

On top of a major reduction to the environmental program and management account, which is the only source of money for air, water, hazardous waste and toxics enforcement, Giles said, the science and technology account would see a 23 percent drop. Money from that latter source funds the lab that supports enforcement investigations, she said, adding that the planned cut "would be devastating" to EPA's ability to bring cases.

Washington Examiner

http://www.washingtonexaminer.com/proposed-epa-cuts-dovetail-with-trump-infrastructure-plan/article/2648877

Proposed EPA cuts dovetail with Trump infrastructure plan

By John Siciliano, 2/12/18, 4:37 PM

The Environmental Protection Agency fiscal 2019 budget request pairs budget cuts with White House priorities under President Trump's infrastructure blueprint.

It's not just about budget cuts in the proposal released by the EPA Monday, although there are plenty of those. The budget proposal, which is accompanied by a four-year EPA strategic vision document, dovetails with the administration's themes of deregulation and infrastructure development.

The budget proposal, at \$6.1 billion, is slightly more giving than Trump's fiscal 2018 budget request of \$5.6 billion, but not by much. The proposals both have sizable 25 percent and 31 percent spending cuts to the EPA, respectively, compared to Obama-era fiscal 2017 spending levels.

But more importantly, the agency's fiscal 2019 budget appears to be closely tied to Trump's plans for infrastructure development, while cutting out environmental regulations and program reviews that slow down development.

Big changes would come from EPA's work to eliminate requirements under the Clean Air Act and other statutory programs under the president's "One Agency, One Permit" concept.

The concept would designate "a lead federal agency" to meet a two-year deadline of issuing a single record of decision for a major project.

"Duplicative environmental reviews and processes would be eliminated in favor of more cooperation and earlier engagement by all relevant agencies in order to achieve positive environmental outcomes, regulatory certainty, and public transparency," according to the agency.

Some of the specific changes would include amending a Clean Air Act section "to eliminate the requirement for EPA to review and publicly comment on other agencies' Environmental Impact Statements" to expedite reviews.

The EPA also would seek to amend Clean Water Act requirements "to eliminate EPA's ability to veto" an Army Corps infrastructure project.

The fiscal 2019 budget also targets more than \$598 million in programs that "create unnecessary redundancies or those that have served their purpose and accomplished their mission."

It also moves forward on shifting agency operations under a presidential executive order for developing a comprehensive plan for reorganizing the executive branch, according to an EPA summary. "The plan includes a series of projects focused on managing EPA programs more effectively and delivering results, including streamlining EPA's permit review process, deploying a lean management system, and reducing unnecessary reporting burdens on the regulated community," the agency said.

The first four-year EPA Strategic Plan for fiscal 2018-2022 adheres to EPA Administrator Scott Pruitt's "Back to Basics" campaign, which seeks to restore the agency's "core mission," while restoring power to states through "cooperative federalism" and leading the agency through improved processes and adherence to the law.

Many of those points were reiterated by Pruitt at a meeting at the White House Monday to discuss Trump's infrastructure plan. "Through regulatory reforms and targeted investments, EPA will play a leading role in this effort," he said before the meeting.

That effort will begin by improving the nation's drinking water infrastructure by amending the Clean Water Act, Safe Drinking Water Act, and the Water Infrastructure Finance and Innovation Act. Changing those laws would be "a way to promote private investment and improved management of water infrastructure through expanded use of State Revolving Loan Funds," the agency said.

The infrastructure plan also calls for the EPA to increase its Water Infrastructure Finance and Innovation Act funding authorizations to use water infrastructure funds to include certain Superfund, brownfields and Army Corps flood projects.

Part of the EPA's plan to change the definition of "navigable waters" under the Obama administration's Waters of the U.S. rule is also part of the Trump infrastructure plan.

The definition change is part of the EPA's effort to repeal the WOTUS rule, which has been criticized for expanding EPA's jurisdiction to everything from drainage ditches and watering holes, to streams, creeks, and rivers. It has been broadly criticized by states, industry, farmers, and ranchers as a prime example of federal overreach.

Repealing the WOTUS rule and redefining EPA's jurisdiction is key to meeting one of Trump's first executive orders, directing EPA's review and move to repeal the regulation.

E&E News PM

https://www.eenews.net/eenewspm/stories/1060073611/search?keyword=EPA

Trump proposes 25% funding cut for vehicles lab

By Camille von Kaenel, 2/12/18

The White House is proposing to downscale funding and operations at U.S. EPA's vehicles lab for monitoring emissions cheating.

The spending blueprint released today for fiscal 2019 would cut roughly 25 percent for the state-of-theart National Vehicle and Fuel Emissions Laboratory in Ann Arbor, Mich.

The budget would allocate \$75.1 million for vehicle and fuel standards and certification. Current spending is much higher at \$98 million.

In addition, the request for EPA proposes zeroing out a \$7 million "climate protection" program designed to ensure automaker compliance with greenhouse gas rules.

Engineers at the lab anticipate reviewing around 5,275 different engines and vehicles, from lawn mowers to heavy-duty trucks, in fiscal 2019, an increase from the previous year.

They also spot-check for compliance, which has led to massive settlements with Volkswagen AG and Fiat Chrysler Automobiles NV over emissions cheating.

The EPA team is responsible for regulating pollution from engines and fuels, including the greenhouse gas regulations for passenger cars and trucks the Trump administration is considering rolling back.

A 25 percent cut could seriously hamper the lab, which has been expanding its testing program following the Volkswagen scandal, former EPA officials said (Climatewire, May 11, 2017).

The lab's fixed costs run around \$55 million a year, meaning cuts would likely significantly reduce testing or the salaries of the approximately 430 scientists and technicians. The budget envisions slashing 46 full-time-equivalent positions.

The White House proposed a similar 25 percent cut to the lab last year, but lawmakers trashed the proposal, choosing smaller reductions instead.

EPA's strategic plan hints at reducing the lab's efforts, saying the lab will focus "on certification decisions." It would continue to "perform its compliance oversight functions on priority matters, where there is evidence to suggest noncompliance."

The lab would also continue "testing activities for pre-certification confirmatory testing for emissions and fuel economy for passenger cars."

That represents a slight shift from last year's proposal, in which the administration suggested the lab reduce its pre-certification testing. That's when regulators catch defects, intentional or unintentional.

California air regulators, who also set tailpipe rules, have already started making alternative plans if the Trump administration hampers federal enforcement (Climatewire, Feb. 9).

Last week, they approved a set of rules for big trucks that deviates slightly from federal standards and said they would ramp up their own certification and enforcement in light of potential federal budget cuts. That sets up a potential legal conflict over the Golden State's special authority under a federal waiver.

The White House has also proposed to cut the popular Diesel Emissions Reduction Act grant program, which hands out money to replace or retrofit older diesel vehicles and other equipment, to \$10 million from current spending levels of \$40.6 million.

The Detroit News

http://www.detroitnews.com/story/news/politics/2018/02/12/white-house-budget-great-lakes/110346058/

Trump budget slashes funding for Great Lakes cleanup

By Melissa Nann Burke, 2/12/18, 1:43 PM

Washington — President Donald Trump revealed his budget proposal on Monday, proposing to cut funding for a cleanup program for the Great Lakes region from \$300 million to \$30 million next year.

Trump's proposal would reduce the Environmental Protection Agency's budget by nearly \$3 billion, or 34 percent from 2017 levels, including slashing the budget for the \$300 million-a-year Great Lakes Restoration Initiative, which enjoys strong bipartisan support in Michigan and other Great Lakes states.

A budget summary provided by the White House says the spending plan "enhances" basin-wide monitoring of "significant watersheds," including the freshwater lakes, to aid decision-making on issues such as algal blooms and invasive species management, while "recognizing that the primary responsibility for local ecosystem restoration rests with states and local groups."

Sen. Debbie Stabenow, D-Lansing, who co-chairs the Great Lakes Task Force, said that's "very bad news" for the GLRI program.

"I am pretty shocked after the major bipartisan effort that we had, and the push-back was so hard after they zeroed out the money last year," Stabenow told The Detroit News.

The Trump administration last year proposed effectively ending federal support for the program – something that Congress rejected in spending legislation that fully funded the Great Lakes Restoration Initiative with \$300 million for 2018.

Rep. Bill Huizenga, R-Zeeland, said he would continue working with bipartisan colleagues to fully fund the GLRI.

"The Great Lakes Restoration Initiative plays a leading role in preserving and restoring the Great Lakes ecology while strengthening the Great Lakes economy," said Huizenga, co-chair of the Great Lakes Task Force.

"Congress makes the determination regarding which federal programs will be funded."

The budget proposal also would cut federal funding for cancer, mental health and drug abuse research – a proposal that "flies in the opposite direction of what we just did," Stabenow said.

She was referring to the two-year budget deal approved by Congress last week that invests \$2 billion over two years for the National Institutes of Health.

"I do think that the president's budget is really tone deaf on what people have said they need in communities and what Congress has agreed to on a bipartisan basis," Stabenow said. Lawmakers ultimately control federal spending levels, though the White House's budget reflects the priorities of the Trump administration.

The Department of Energy's \$30.6 billion spending plan does include \$75 million to complete construction of the Facility for Rare Isotope Beams – a physics research center at Michigan State University projected to create 1,000 permanent jobs.

And the proposal for the U.S. Department of Housing and Urban Development requests funding to evaluate pilot EnVision Centers – Detroit is home to the first – meant to help those receiving housing assistance to develop long-term skills for self-sufficiency.

The White House on Monday also released Trump's long-awaited infrastructure plan, which envisions using \$200 billion in taxpayer money to generate \$1 trillion in private investment over 10 years to rebuild roads and highways.

The outline also calls for shortening the permitting process to two years and targeting rural infrastructure.

Republican leaders on the House Energy & Commerce Committee issued a statement saying that Trump "hit the nail on the head" with his plan to rebuild U.S. infrastructure," noting the panel's work on promoting broadband deployment and improving energy infrastructure.

"More than 20 targeted infrastructure bills from this committee have passed the House, and we've got more in the pipeline," said the lawmakers, including Chairman Greg Walden, R-Oregon.

Gov. Rick Snyder and other state governors a year ago submitted their top infrastructure projects to the National Governors Association, which presented a list to the White House.

Michigan's priority list included federal funding for a new shipping channel at the Soo Locks, high-speed broadband Internet service, and work on customs plazas for the new Detroit River span to Canada and at the Blue Water Bridge in Port Huron.

"The governor is happy to see President Trump and his team discussing infrastructure across the board – which includes things we can see and things we can't," spokeswoman Tanya Baker said by email.

"As we work diligently to improve our state's infrastructure in Michigan, we look forward to working with the Trump administration and serving as a role model for infrastructure development and solutions."

Democrats and others have expressed concern that Trump's plan could leave Michigan and its cities and counties in a position of competing against other jurisdictions for grant funding and likely paying for more project costs.

The plan describes a \$100 billion "incentive" program in which state and local governments, or other sponsors of projects, could use federal grants for no more than 20 percent of project costs.

Federal dollars typically comprise 80 percent of most highway projects and up to 50 percent of transit projects.

"It's quite shocking to me after what the president has talked about that he would be putting forward a plan with so little real resources, and that would really disadvantage rural communities," Stabenow said.

"Any place in Michigan not on a major highway would not benefit from this at all."

Stabenow said she's already heard from mayors around Michigan who are "deeply" concerned, as the formula could make it "impossible for many communities to find the funding."

ΑP

https://apnews.com/14261a936b2d42d7a305a21fe5606fc7/Trump-budget-again-targets-regional-water-cleanup-programs

Trump budget again targets regional water cleanup programs By John Flesher, 2/13/18

TRAVERSE CITY, Mich. (AP) — For a second consecutive year, President Donald Trump is trying to drastically reduce or eliminate federal support of cleanups for iconic U.S. waterways including the Great Lakes and Chesapeake Bay.

Trump's proposed 2019 budget for the Environmental Protection Agency released Monday would cut funding by 90 percent for the Great Lakes Restoration Initiative — an Obama-era plan for dealing with pervasive pollution in the world's biggest surface freshwater system — and a similar program for Chesapeake Bay, the nation's largest estuary.

It would remove all EPA funding of cleanup programs for the Gulf of Mexico, Lake Champlain, Long Island Sound, San Francisco Bay, Puget Sound and South Florida, including the Everglades and Keys. The administration's EPA spending plan said the agency would "encourage state, tribal and local entities to continue to make progress" in those places.

The administration sought to zero out spending on the regional water initiatives in its first budget a year ago, describing them as "primarily local efforts" and contending state and local governments were capable of paying for them.

But Congress decided otherwise, illustrating the popularity of the cleanups among lawmakers of both parties and voters who want progress on long-standing problems such as toxic algae that fouls beaches, invasive species that starve out native fish, and industrial toxins embedded in river bottoms.

The Great Lakes program is the largest, taking in about \$300 million annually since it was established in 2010. Trump's budget would give it \$30 million. Chesapeake Bay, which is getting nearly \$73 million this year, would receive \$7.3 million. The other programs receive significantly less federal funding.

Supporters pledged another fight to keep them intact.

U.S. Sen. Debbie Stabenow, a Michigan Democrat, denounced the proposed Great Lakes cuts as "outrageous." Rep. Bill Huizenga, a Michigan Republican, pledged to seek full funding of the initiative, which he said boosts the economy and environment of an eight-state region extending from New York to Minnesota.

"Why the Trump administration would continue to try to slash funding for the world's most important freshwater resource is beyond my comprehension," said Mike Shriberg, regional director for the National Wildlife Federation.

The Chesapeake Bay program, which dates to 1983, has accelerated in recent years in the watershed's six states and Washington, D.C., with adoption of pollution reduction targets. Trump's budget would provide money for water quality monitoring but none for cleanup work, advocates said.

"A cut of this magnitude would severely damage Bay restoration efforts, just at a time when we are seeing significant progress," said William Baker, president of the Chesapeake Bay Foundation.

EPA spokesman Jahan Wilcox declined comment.

E&E Climatewire

https://www.eenews.net/climatewire/stories/1060073713/search?keyword=EPA

Climate loses in Trump's plan. Here's who wins By Adam Aton, 2/13/18

President Trump's budget proposal would slash funding for the people most vulnerable to climate change while nudging energy companies to extract more fossil fuels from government land.

Winning in the Trump administration sometimes means just not losing. Some renewable energy and climate-adjacent programs were spared from proposed cuts, including a few that were targeted last year. But the unifying message of the White House's central planning document is that government should do less, even when Congress boosts budget caps.

The spending blueprint ignores rising temperatures. It doubles down on environmental and diplomatic cuts that lawmakers have already disregarded. And it invites private capital to replace publicly funded research, infrastructure and services.

These proposals matter, even if Congress blows them off, because they signal what the administration values and where officials are directing their attention.

So even if the White House doesn't get all the cuts it wants, here's who's in the limelight and who's in the crosshairs.

Losers

People most affected by rising temperatures: The budget only mentions climate change in its list of programs slated for elimination. A closer look reveals that several other cuts would hit especially hard for people grappling with rising sea levels, stronger droughts and other consequences of climate change.

The Delta Regional Authority — serving people in regions especially vulnerable to floods, erosion and storms — would see its funding slashed to \$3 million from \$25 million as the Trump administration shuts it down. And in Alaska, where temperatures are rising much more quickly than the mainland, the Trump administration wants to cut several programs tailored to the state, like the Denali Commission and grants to Alaska Native villages.

"The rationale for a unique and additional Federal subsidy to Alaska is difficult to justify given that the State of Alaska's oil revenues allow it to pay an annual dividend (\$1,884 in 2017) to each of its residents," the budget says.

The Appalachian Regional Commission would be spared, unlike in last year's proposal.

Globally, the story is the same. Along with eliminating the \$160 million Global Climate Change Initiative, the budget would slash international food aid from the Department of Agriculture and the U.S. Agency for International Development. (The budget addendum restores \$1 billion of USAID's \$1.6 billion proposed cut.)

The African Development Foundation and Inter-American Foundation would each see most of its funding cut.

Flood mapping: The Federal Emergency Management Agency's flood mapping and risk analysis program would get cut to \$100 million from \$178 million, with the administration saying states and local governments could pick up the slack.

"Given limited resources and the backlog of flood mapping needs despite regular federal investment, the Budget proposes to reduce flood map funding to preserve resources for the Department of Homeland Security's core missions," the budget says.

Energy efficiency and mass transit programs: Energy Star, slated for elimination in last year's spending plan, could still continue under this budget — but federal funding would end. Instead, EPA would administer the program through revenues from a "modest fee" on participating manufacturers.

DOE's Weatherization Assistance Program would be eliminated.

And Amtrak would see its federal grants cut more than 50 percent, down to \$738 million from nearly \$1.5 billion, with its long-distance routes targeted specifically.

Research: EPA, DOE, NASA and NOAA would see research money slashed (see related story).

Five NASA Earth science missions would be cut, along with funding to the International Space Station by 2025.

Although the addendum reversed proposed cuts to several DOE programs, one that would remain on the chopping block is the \$305 million Advanced Research Projects Agency-Energy program.

EPA's extramural Science to Achieve Results grants would be eliminated as part of a \$229 million cut to the agency's research programs.

The National Science Foundation, originally slated for a \$2.2 billion (nearly 30 percent) cut, was spared thanks to the congressional budget agreement. That would provide money for upgrading research facilities in Antarctica.

Winners

Scott Pruitt: The EPA administrator's rhetoric of "cooperative federalism" and returning to the agency's "core work" echoes throughout the budget proposal — even if the numbers suggest a more modest impact on his stated priorities.

The budget would cut categorical grants to states by \$469 million (nearly 44 percent), while allowing more flexibility for \$27 million of the remaining \$597 million. And the administration used extra money from Congress' budget deal to keep funding roughly steady for state revolving funds — with the newly restored \$397 million going to wastewater and stormwater infrastructure.

Funding for Superfund cleanup, initially proposed for a \$327 million cut, will remain flat thanks to the spending hike by Congress.

Overall, the budget calls for cutting EPA by 23 percent to \$6.15 billion. That funding is far less than what lawmakers are considering for fiscal 2018 — between \$7.5 billion and \$7.91 billion.

Coast Guard: The Coasties would finally get \$720 million for their first new heavy icebreaker in more than 40 years.

Retreating sea ice is drawing more ships to the Arctic, and Coast Guard leadership has warned that the United States lacks the vessels to patrol the area. Its operational fleet of icebreakers currently consists of one heavy icebreaker near the end of its operational life and a smaller research vessel.

Fossil fuel companies: The budget proposes funding national park maintenance through leases of government land for energy development. The Interior Department has been trying to expand oil and gas drilling, and this would offer another incentive for government officials to look for more opportunities for energy leasing.

DOE would also devote \$502 million to fossil energy research — \$81 million more than fiscal 2017. At least \$200 million would go to "clean coal" research (see related story).

Disaster preparation: FEMA would get a new \$522 million grant program aimed at hazard preparation. By comparison, FEMA last year awarded \$63 million in pre-disaster mitigation grants and \$627 million in post-disaster grants.

Renewable energy: It could've been worse. Despite the cuts to ARPA-E and other research programs, DOE would still put \$696 million toward its Office of Energy Efficiency and Renewable Energy. That's \$1.3 billion less than fiscal 2017 but \$60 million more than what the administration asked for last year.

E&E Climatewire

https://www.eenews.net/climatewire/stories/1060073667/search?keyword=EPA

White House preserves Energy Star by charging fees By Niina Heikkinen, 2/13/18

In an about-face, the White House is continuing to support U.S. EPA's Energy Star program.

The decision to retain the popular voluntary partnership program comes after the Trump administration faced fierce backlash from supporters when it proposed slashing funding for Energy Star in its budget blueprint last year.

Climate-change-related programs remained a target for budget cuts at EPA. The fiscal 2019 proposal, which seeks to cut the agency's funding by about 23 percent, would zero out funding for climate research. It would also eliminate EPA's other partnership programs with businesses. These include the Natural Gas STAR and AgSTAR programs, both aimed at cutting methane emissions from the fossil fuel industry and agriculture, respectively.

The White House plan suggested an alternate source of funding to keep Energy Star running.

"The proposed budget shifts the Energy Star program to a fee-funded model, which will provide long term stability for the program," an EPA spokesperson said in an email.

Perhaps best known for certifying high-efficiency appliances, like washing machines, Energy Star also certifies buildings and offers resources to homeowners who want to lower their energy costs.

The budget states that EPA would collect "modest fees" from product manufacturers that seek to gain the Energy Star label for their products.

"Energy Star is a trusted resource for consumers and businesses that want to purchase products that save them money and help protect the environment," the budget states.

Before implementing the new funding structure, EPA would undergo a rulemaking process to figure out what products would be covered by the fees and how big they would be. This process would "ensure that a fee system would not discourage manufacturers from participating in the program or result in a loss of environmental benefits," according to the budget proposal.

The budget plan would keep \$46 million available for the Energy Star program until Sept. 30, 2020, provided that the agency collects fees during fiscal 2019 to offset that amount by the time Congress makes a final appropriation from the general fund. Any fee revenue exceeding \$46 million would also go into the general fund, according to the document.

Stan Meiburg, who served as a deputy under former Administrator Gina McCarthy, said the proposal to fund Energy Star through fees is not unique to the Trump administration.

"This is something that has been kicked around before. I'd be open to a discussion about it," he said.

Others are more skeptical.

"This is an incredibly successful program, it helps save energy, we don't want to risk its success," said Lowell Ungar, a senior policy adviser for the American Council for an Energy-Efficient Economy. "The program is meant to first and foremost serve consumers — if someone else is paying the program, will consumers be able to know that the program is working for them?"

Ungar noted that the question about how to pay for Energy Star came up last year when the administration first proposed cutting it. At the time, there were questions about whether Energy Star could be privatized and funded through user fees.

"The budget again would propose some really major cuts that would harm energy efficiency, consumers and research, and do damage to the very purposes of the budget in terms of job creation and developing the economy and infrastructure. It's making cuts in all those areas, it just doesn't make a lot of sense," he said.

In addition to keeping Energy Star running, EPA will continue to collect data on greenhouse gas emissions, as it's required to do by law. The agency will also implement the renewable fuel standard and address tailpipe emissions.

Overall, the budget proposal was primarily focused on promoting the agency's priorities of improving drinking water and water quality, along with brownfield and Superfund cleanups. The funding falls in line with the agency's finalized 2018-2022 strategic plan, also released yesterday.

In a break from previous administrations and from other members of Trump's Cabinet, Pruitt did not hold a press call to discuss the budget.

The cuts in the fiscal 2019 budget proposal would have been steeper without the additional \$724 million that the White House allocated at the last minute to comply with the two-year budget deal passed by

Congress on Friday. The administration initially planned to cut EPA's budget by 34 percent from fiscal 2017 enacted levels, slightly more than what was proposed in last year's budget blueprint (Greenwire, Feb. 12).

Meiburg echoed Ungar's concerns about EPA's direction.

"It is disheartening that the core function of the agency with respect to science seems to be under attack. That is very discouraging," he said.

E&E Greenwire

https://www.eenews.net/greenwire/stories/1060073777/search?keyword=EPA

IG says Trump's budget would hobble investigations

By Kevin Bogardus, 2/13/18

U.S. EPA's internal watchdog's call for more funds went unheeded.

Under the agency's fiscal 2019 budget proposal, the EPA inspector general would receive \$37.48 million — the exact same figure President Trump proposed for the IG in last year's budget plan. The lowballed request comes despite pressure from the EPA watchdog over the past months to have the Trump administration ask Congress for millions of dollars more.

EPA IG spokeswoman Tia Elbaum told E&E News that with sparse funds, the watchdog office will not be able to do many investigations. The inspector general is working on several sensitive probes involving Administrator Scott Pruitt, including spending on his travel and security detail.

"The president's budget request is substantially less than what we requested, seriously impacting the work we are able to perform. Without sufficient resources, we will not be able to do multiple audits and investigations that have considerable value and return on investment," Elbaum said.

In fact, the IG had hoped the Trump administration would ask lawmakers for almost \$25 million more in funds.

Elbaum noted, "The IG determined that we need \$62 million to perform the duties of our office, which includes completing statutorily mandated and risk-based projects, such as those requested by Congress."

Other IGs fared better under Trump's budget plan for fiscal 2019.

The Department of the Interior's inspector general would receive \$52.47 million under the proposal, about \$2.4 million more than what was slated for that IG in fiscal 2018.

"The OIG is appreciative of the requested amount and the support it represents. The much-needed increase, if enacted by Congress, will allow for additional oversight reviews and improved oversight," Stephen Hardgrove, chief of staff for the Interior IG, told E&E News.

Still, Trump has left some watchdog offices without political leadership. He has not yet nominated anyone to fill the IG jobs at Interior and the Department of Energy,

EPA IG Arthur Elkins, confirmed by the Senate in 2010, himself expressed his concerns about the budget in a memo dated Feb. 9 to Office of Management and Budget Director Mick Mulvaney, which was included in EPA's fiscal 2019 budget justification released yesterday. Elkins actually cited a higher budget figure in his memo than what was requested in Trump's proposal.

"A budget of \$46 million will virtually eliminate the OIG's ability to perform discretionary audits and evaluations," Elkins said.

Asked about the \$46 million number in Elkins' memo, Elbaum with the EPA IG office declined to share any more details.

"We cannot discuss the details of negotiations between the IG and the Office of the President," Elbaum said

Elkins has been vocal about his worries over his office's budget. He sent a similar memo last September to Mulvaney, which E&E News obtained under the Freedom of Information Act (Greenwire, Jan. 29).

The EPA Office of Inspector General has had better luck with its budget on Capitol Hill, although not enough to meet what Elkins has solicited.

Both House and Senate appropriations legislation that would fund EPA in fiscal 2018 gives the IG office \$40 million, more than Trump's budget request for that year. That spending has not been finalized.

In fiscal 2017, the EPA IG received \$41.05 million for its budget.

Washington Examiner

http://www.washingtonexaminer.com/epa-reaches-10-million-settlement-with-shell/article/2648888

EPA reaches \$10 million settlement with Shell

By John Siciliano, 2/12/18, 5:55 PM

Energy giant Shell agreed to install \$10 million in emissions control equipment at a Louisiana chemical plant as part of a settlement Monday with the Environmental Protection Agency and Justice Department.

EPA Administrator Scott Pruitt said the agreement demonstrates the agency's "dedication" to working with the states to pursue violations of federal clean air laws and bring violating companies into compliance.

"This settlement will improve air quality for citizens of Louisiana by reducing emissions of harmful air pollution," Pruitt said.

The EPA, Justice Department and the Louisiana Department of Environmental Quality announced the settlement with Shell Chemical for emissions violations stemming from the company's chemical plant in Norco, La.

The settlement will result in the elimination of more than 150 tons of excess emissions of harmful air pollutants. It resolves charges that Shell violated the Clean Air Act and state law by not properly operating flaring units to burn off excess gases.

The settlement, in addition to making the \$10 million in improvements, also fined the company civil penalties totaling \$350,000, including \$87,500 to state regulators.

"This agreement is the latest in EPA's and the Justice Department's continuing efforts to work with our state partners to protect the American public from harmful air pollution," said Jeffrey Wood, the Justice Department's acting assistant attorney general for environment and natural resources.

AP

https://apnews.com/973f381eae9248d28e1351ef0d70fa71/O'Hare-Airport-gets-EPA-grant-to-reduce-carbon-emissions

O'Hare Airport gets EPA grant to reduce carbon emissions 2/12/18

CHICAGO (AP) — Chicago's O'Hare International Airport will receive a \$640,000 grant from the federal Environmental Protection Agency to buy zero emissions ground support equipment.

City officials said Monday that the grant will let the Chicago Department of Aviation and United Airlines invest \$1.4 million to buy 26 new pieces of equipment to replace older, diesel-fueled equipment. The city and airline say the effort will save more than 1.4 million gallons of diesel fuel and reduce carbon dioxide emissions.

Officials say the total amount of carbon dioxide emissions that will be eliminated is equal to emissions from 3,100 passenger vehicles or 2,200 homes' electricity use.

Chicago's aviation department has been awarded nearly \$18 million in grant money since 2011 to reduce emissions from cars, trucks, support equipment and power units.

E&E News PM

https://www.eenews.net/eenewspm/stories/1060073617/search?keyword=EPA

Okla. auditor: Pruitt 'acted improperly' on Tar Creek audit By Mike Soraghan, 2/12/18

Oklahoma's state auditor today said Scott Pruitt "acted improperly" when, as Oklahoma's attorney general, he sent a copy of an audit to the attorney of the board the auditor had been investigating.

Now U.S. EPA administrator, Pruitt's duties include overseeing Superfund. The auditor was investigating allegations of corruption in a Superfund cleanup in Oklahoma.

"The former attorney general acted improperly when he shared the contents of the audit report with the subject of the audit," State Auditor Gary Jones said in a news release today. "Don't cover up the issue by withholding a public document, paid for with public funds and conducted on behalf of the public."

Jones, a Republican elected statewide, is feuding with the current Republican attorney general, Mike Hunter, about whether to release the audit, concerning work at the Tar Creek Superfund site in Oklahoma's far northeastern corner. Jones is also running for governor.

A message to Pruitt's spokesmen was not immediately returned.

Jones has asked for a court order allowing him to release the audit. He argues Pruitt essentially made the audit public when he provided it to Andy Lester, attorney for the Lead-Impacted Communities Relocation Assistance Trust (LICRAT).

The LICRAT board was made up of residents who oversaw the buyout and demolition of homes in parts of the Tar Creek site. Lester is a well-connected former federal magistrate whose professional biography states that he "Successfully guided a Superfund cleanup agency through major state and federal investigations."

In a column published Saturday in The Oklahoman newspaper of Oklahoma City, Lester argued that Pruitt "did the right thing" in providing Lester with the audit, not bringing charges and keeping the report secret.

Jones had asked Pruitt in 2015 to release the audit after Pruitt declined to bring charges in the case. Pruitt said no, citing "unsubstantiated criminal accusations" against "private citizens." Jones has said the audit leveled substantiated criminal allegations and said the people investigated were acting as government officials.

The dispute was reopened late last year when the Washington watchdog group Campaign for Accountability sued Hunter and Jones seeking the release of the audit. Hunter refused, despite Jones' plea for its release (Energywire, Jan. 19).

Tar Creek is a 40-square-mile site in northeastern Oklahoma where land and water were contaminated by decades of lead and zinc mining that ended in the 1950s. In the early 1980s, EPA deemed it the most contaminated site in the country.

Pruitt requested the audit from Jones' office in April 2011 after the staff of then-Sen. Tom Coburn (R-Okla.) forwarded the corruption allegations.

E&E News PM

https://www.eenews.net/eenewspm/stories/1060073637/search?keyword=EPA

Strategic plan stresses 'rule of law,' silent on climate By Sean Reilly, 2/12/18

U.S. EPA today released a long-term strategic plan that outlines a retrenchment around a "core mission" of ensuring clean air, land and water, but also effectively proclaims the need for the agency to yield more control to state regulators and accelerate permitting decisions.

The plan, scheduled to run through fiscal 2022, is intended as a tool for senior EPA managers "to guide the agency's path forward." It represents a stark departure from its Obama-era predecessor (Greenwire, June 26, 2017). In place of broad goals such as confronting climate change and supporting the

development of green infrastructure, the new plan focuses the agency on a set of narrowly tailored numeric objectives.

By the end of September 2019, for example, EPA — "in close collaboration with states" — will strive to reduce the number of areas around the country in nonattainment for various air pollution standards from a baseline of 166 to 138. By the same 2019 deadline, the agency will seek to reduce by half the number of permitting decisions that take more than six months. Another 102 Superfund sites will be made "ready for anticipated use."

Overlying those objectives are three mission goals:

- <!--[if !supportLists]--><!--[endif]-->Delivering "real results" to provide the American people "with clean air, land, and water, and ensure chemical safety."
- <!--[if !supportLists]--><!--[endif]-->Fostering "cooperative federalism" by rebalancing power between Washington, D.C., and the states "to create tangible environmental results."
- <!--[if !supportLists]--><!--[endif]-->Maintaining "the rule of law and process" to "refocus the agency on its statutory obligations."

At least on paper, the Trump administration's fiscal 2019 budget request seeks to incorporate those three principles into how EPA would spend its money.

In place of program categories such as "clean air and global climate change," for example, the proposed budget sets aside hundreds of millions of dollars for items including the "rule of law and process" and "core mission."

How this system would work in practice, however, is unclear. It's equally uncertain whether the administration intends the fiscal 2019 blueprint as anything more than a symbolic statement of priorities. In an email, an EPA spokeswoman would only say that the proposed budget "will help support" those three principles with the intention of protecting human health and the environment.

The administration was required to issue the updated strategic plan by this month under a 2011 law known as the Government Performance and Results Modernization Act (E&E News PM, Oct. 4, 2017). Although EPA received more than 39,000 comments on the draft version released in October, there is little indication that agency officials took them into account.

While many commenters had urged the agency to use the plan to address climate change, the phrase remains absent from the final document, which is largely identical to the draft.

The new strategic plan also states that one of EPA's top priorities "must be to create consistency and certainty for the regulated community." While that goal entails modernization of agency permitting practices "to increase the timelines of reviews and decisions," the plan makes no reference to the White House's bid to slash overall EPA funding by 23 percent next year in comparison with a fiscal 2017 benchmark.

And while the plan calls on EPA to reduce the average period from identification of an environmental violation to the point that it is corrected, the agency gives itself until September 2022 to accomplish that "strategic measure." And for now, it's not clear what the baseline for measuring progress will be. That threshold will only be determined sometime in fiscal 2018, the plan indicates.

Politico

https://www.politicopro.com/energy/whiteboard/2018/02/epa-strategic-plan-avoids-climate-change-601503

EPA strategic plan avoids climate change

By Alex Guillen, 2/12/18, 3:39 PM

EPA's final strategic plan for 2018 through 2022 makes no mention of climate change, which topped the agency's agenda in the years before President Donald Trump's election.

Climate change was goal one in EPA's previous plan, issued in 2014. The new plan, however, makes no mention of the phenomenon, or EPA's mandate to regulate greenhouse gases.

Instead, the document categorizes its goals into three categories aligned to EPA Administrator Scott Pruitt's top talking points: EPA's "core" mission, cooperative federalism and "rule of law."

"EPA will improve its processes and reinvigorate the rule of law as it administers environmental regulations as Congress intended and will refocus the agency on its core statutory obligations," Pruitt wrote in an introduction to the 74-page document.

Among the goals EPA listed for 2022 are to reduce nonattainment areas to 101, down from 166 as of last fall; lower the number of community water systems that don't meet health-based standards from 3,600 to 2,700; finish work at 255 Superfund sites, 3,420 brownfields and 536 solid waste facilities; meet compliance deadlines for the updated Toxic Substances Control Act; increase compliance rates; and make permitting decisions within six months.

The agency also said it plans to cut "unnecessary or duplicative reporting burdens to the regulated community by 10,000,000 hours." The current annual rate is 173 million hours.

EPA also plans to eliminate its FOIA request backlog by 2022.

The Hill

http://thehill.com/policy/energy-environment/373478-epa-numbers-hint-at-eased-enforcement-under-trump

EPA numbers hint at eased enforcement under Trump

By Miranda Green, 2/13/18, 6:00 AM

The reported decline in enforcement actions at the Environmental Protection Agency (EPA) is a likely harbinger of what's to come from the Trump administration, experts say.

The EPA on Thursday reported that it had recommended that 115 cases of illegal pollution be prosecuted in the last fiscal year, down from 152 the year before and a peak of nearly 400 cases in 2009.

The findings seemed to confirm speculation that the EPA under President Trump has shifted its focus away from regulating pollution and prosecuting polluters, and experts and former EPA officials predict the enforcement numbers would continue to drop.

"The enforcement results today are heavily influenced by big cases brought by the Obama administration," said Eric Schaeffer, executive director of the Environmental Integrity Project (EIP) and head of EPA's Office of Civil Enforcement from 1997 to 2002. "Since President Trump took office, the long arm of the law has gotten shorter, at least when it comes to cracking down on illegal pollution."

The tally of enforcement actions for fiscal 2017 included the final four months of the Obama administration. If the tally had only included actions taken under current EPA Administrator Scott Pruitt, many suspect that the total would have been significantly lower.

Back in August, an EIP report looked at the first six months of Trump's presidency and found that 26 civil lawsuits were filed against polluters. During the comparable time period under President Obama and President George W. Bush, 34 and 31 cases were filed, respectively. The EIP report also found a 60 percent drop in civil penalties under Trump.

A New York Time analysis that looked at cases started specifically since Pruitt became administrator found that enforcement rates were even lower than the annual report. Civil enforcement cases were one third of the amount filed in the same time period under the Obama administration and about a quarter of those filed at the beginning of Bush's presidency.

Steven Chester, who served from 2011 to 2014 as deputy assistant administrator in EPA's enforcement office, said the fiscal 2017 caseload may only reflect the Trump administration's desire to finish those cases started by Obama.

"They say they concluded about 100 cases in 2017. That doesn't tell you anything about the future — just that they put an emphasis on resolving things," he said.

Chester also added that it's likely EPA's numbers dropped, and will drop further, as a result of the budget decrees, early retirements and job freezes happening at the agency. A joint New York Times and ProPublica project from December found that hundreds of EPA employees left the agency in 2017.

"Ultimately your ability to do inspections and investigations — to open files— depends on how many employees you have and staff working. I think if you look hard, you'd see some impact there," Chester said.

The EPA touted its ability to come to agreements with polluters outside of a courtroom when it released the enforcement numbers for fiscal 2017.

In a letter sent to EPA compliance staff just weeks before the release of the enforcement data, the agency's head of compliance Susan Bodine emphasized EPA's need to "use its entire toolbox" to work with states, not just through filing charges.

"It is also important for EPA to help and, if necessary, persuade states to take actions to address violations. And informal actions can bring about a return to compliance more quickly," she wrote.

An EPA employee, who works in the office of compliance and asked not to be named, said the true extent of the agency's enforcement practices under Pruitt wouldn't be apparent for a few years.

"It's still pretty early. I think a better measure of this administration's commitment will come after a couple years when you're looking at what they're putting into the pipeline, not just what they are completing in the pipeline," the source said.

"The new cases, the new complaints, number type etc. may in some ways be a better reflection of their priorities."

E&E Energywire

https://www.eenews.net/energywire/stories/1060073649/search?keyword=EPA

EPA moving to give states control over CO2 storage By Mike Lee, 2/13/18

TULSA, Okla. — U.S. EPA is working to give states more authority to regulate the storage of carbon dioxide from power plants and other industrial sources, the agency's top groundwater official said yesterday.

The move to give states more control over Class VI injection wells — the kind used to store CO2 specifically for long-term sequestration — is part of EPA Administrator Scott Pruitt's larger campaign to push decisionmaking power down to the states, Peter Grevatt, director of the agency's Office of Ground Water and Drinking Water, said here at a meeting of the Groundwater Protection Council.

"Work is moving forward on Class VI, and we're pretty excited about it," he said.

EPA has already given many states primary permitting authority over other types of injection wells, such as those used to dispose of industrial and oil field waste, or the wells used to pump carbon dioxide into oil fields to increase their output. The Groundwater Protection Council, a consortium of state regulators, was formed in the 1980s to provide input to EPA's injection rules.

EPA has broken a couple of logjams on Class VI injection permits since Pruitt took over.

North Dakota asked for permission to regulate Class VI wells in 2011, and EPA issued a proposal in May to grant that request. The agency is reviewing comments on that proposal, Grevatt said. Wyoming has also applied for primacy over carbon sequestration (Climatewire, May 10, 2017).

Meanwhile, EPA gave final permission in April for the Archer Daniels Midland Co. to begin injecting carbon dioxide at an ethanol plant in Illinois. ADM broke ground on the project in 2011.

Since getting the permit, ADM has injected 500,000 metric tons of carbon dioxide and qualified for a \$10.1 billion tax credit, Grevatt said.

"If you're thinking about it, watching what ADM has done, I would encourage [you] to think seriously about that. I think you'll find a positive reception from EPA," he said.

E&E Greenwire

https://www.eenews.net/greenwire/stories/1060073577/search?keyword=EPA

Forecast: 'Tsunami of regulatory litigation'

By Amanda Reilly, 2/12/18

Environmental lawyers are gearing up for another busy year.

At an annual Washington, D.C., conference last week, private practice attorneys and former government officials predicted a tumultuous year in the courtroom.

"I expect a real tsunami of regulatory litigation this year," said John Cruden, who formerly led the Justice Department's environmental division, at last week's American Law Institute conference on environmental law. "It's going to be a bumpy ride."

State attorneys general and environmental groups have already aggressively used the courts to challenge the Trump administration's deregulatory agenda. Many suits over the previous year have challenged federal environmental agencies' various attempts to delay compliance deadlines of Obamaera rules.

The Natural Resources Defense Council has boasted it has already filed more than 40 lawsuits against the Trump administration regarding environmental rollbacks.

Cruden, who is now a principal at Beveridge & Diamond PC, predicted that the Trump administration's pivot from largely defensive moves — such as delaying rules and sidelining ongoing court challenges — to offensive moves, such as issuing rules rescinding high-profile policies such as the Clean Power Plan and Clean Water Rule, will drive the court action in 2018.

"This year, there will be final decisions. If you rescind a rule, that is a final decision. You have to have an administrative record that supports the decision," he said, adding, "You're going to see way more litigation this year as those final decisions are being made."

Litigation over water policies, climate change rules, toxics regulations, the Endangered Species Act and environmental reviews are all expected to heat up this year, experts at the annual gathering of environmental lawyers in D.C. said.

Scott Fulton, president of the Environmental Law Institute and a former U.S. EPA general counsel, said "budget compression" — the White House revealed a budget plan today calling for cuts for environmental and energy agencies — will further open up agencies to lawsuits this year.

Environmental statutes are "chock-full of mandatory duties," he said.

"Don't be surprised to see EPA fall further behind in meeting its deadlines and mandatory duties," Fulton said. "This of course carries with it the potential for deadline suits and court orders."

Thomas Lorenzen, a former Justice Department attorney, warned that the Trump administration's policy against "sue and settle" could also this year start to have real impacts.

EPA Administrator Scott Pruitt last year issued a directive aimed at curbing settlements in lawsuits challenging the agency's failure to meet statutory deadlines.

Lorenzen said a court decision last week showed the "first sign of problems inherent in the sue-andsettle policy."

In the decision in the U.S. District Court of Connecticut, a federal judge ordered EPA to act within 60 days on Connecticut's 2016 petition seeking a crackdown on emissions from a Pennsylvania power plant. EPA had failed to respond to the petition for more than two years; under the law, the agency was supposed to have rendered a decision within two months (E&E News PM, Feb. 7).

Instead of negotiating for a settlement with Connecticut, "DOJ was forced to defend something that couldn't be defended, and throw themselves on the mercy of the court," said Lorenzen, a partner at Crowell & Moring LLP who often represents industry clients in litigation against EPA.

EPA Region 1 Administrator Alexandra Dunn said last week that the agency has put special emphasis both on meeting deadlines and on the rulemaking process as part of Pruitt's stated goal of returning the agency to the "rule of law."

The administration has put a "very intentional focus on the steps that need to be taken to make different decisions," she said.

<u>AP</u>

https://apnews.com/5b09511790094e518099fed63623f0e8/Sen.-Markey:-Trump-infrastructure-plan-a-%22monetary-mirage%22

Sen. Markey: Trump infrastructure plan a monetary mirage 2/12/18

BOSTON (AP) — U.S. Sen. Edward Markey is blasting President Donald Trump's \$1.5 trillion plan for the nation's crumbling infrastructure, calling it a "monetary mirage."

The Massachusetts Democrat said the bill would commit just \$200 billion of direct federal investment while cutting other core transportation and infrastructure programs like Amtrak and federal transit grants.

Markey said the plan would also limit the Environmental Protection Agency's ability to review, modify or block environmentally harmful projects.

Markey was joined by the Massachusetts Municipal Association and a transportation advocacy group in criticizing the White House infrastructure proposal at Monday's news conference. He said the bill relies on public-private partnerships and would force cash-strapped states and municipalities to bear the burden for paying for the infrastructure projects.

Markey serves on two committees with jurisdiction over the bill.

The Hill

http://thehill.com/opinion/energy-environment/373484-going-in-reverse-on-fuel-efficiency-will-ultimately-hurt-consumers

Going in reverse on fuel efficiency will ultimately hurt consumers By Hal Harvey, 2/12/18, 5:00 PM

In 2012, the Environmental Protection Agency (EPA) finalized standards to double the fuel efficiency of new vehicles to 54.5 miles-per-gallon by 2025. This profound move would require new cars to reduce the gasoline needed by half, thereby reducing their oil dependence and CO2 emissions by half.

The plan aligned EPA with California's legal ability to set more stringent emissions standards, so automakers could build to one unified national standard instead of two. The plan had national implications: Other states can choose whether to follow California or federal standards, and today, 40 percent of America's population lives in the 13 states that chose California's. The plan even had the support of automakers, which like regulatory certainty and prefer building to one set of standards.

All in all, this was pretty brilliant policy. Unfortunately, the Trump administration is considering upending the deal by lowering future targets. Automakers, in a trust-crushing move worthy of VW, asked for softer standards in 2017, even though they promised to support the agreement. EPA Administrator Scott Pruitt seems determined to reverse any policy protecting the public, so EPA now faces an April 1 deadline to issue a review of the fuel efficiency requirements. The game is on.

A simple rollback faces obstacles — and here is where it gets interesting. Consumers love more efficient vehicles, as witnessed by the popularity of new Ford pickups, with lightweight aluminum beds and an "Ecoboost" V6. The Ford F150, featuring these technologies, is the top selling vehicle in America.

The federal government is also prohibited from simply deleting the regulations: The Administrative Procedures Act requires evidence, hearings, and justification for major regulatory changes, including rollbacks. And, perhaps most important, California will not give up this fuel-efficiency policy, so the country could revert to two sets of standards.

These obstacles pushed EPA into negotiations with the California Air Resources Board (CARB) to find a plan suiting the state and Pruitt's EPA. The EPA has a pretty big weapon to force California's hand: the EPA might try to revoke California's waiver. This would inspire a mighty legal battle, and would be both an environmental and political disaster, but the threat is real.

Auto companies may intensely dislike California's process, but they dislike uncertainty even more. "The nightmare for the industry is California and the feds go their separate ways," Mike Jackson told the Wall Street Journal. Jackson is the CEO of AutoNation Inc., the largest U.S. car dealership chain. As a rule, car companies are okay with tough standards if they are uniformly applied, have long lead-times, and are not fraught with uncertainty.

One path to success might be to extend the standards to 2030, steadily tightening them the whole way (more certainty, more lead time), and allow more flexibility in the years in between. This would be good policy (if the devilish details are properly handled), but it would require good faith negotiations — unfortunately, EPA and the auto manufacturers have lost credibility there.

The darker scenario, which some consider most likely, is an all-out war by EPA to shut off California's power to set tighter standards — also, of course, restricting rights for the 13 states that now follow California's course. "EPA would have to take unprecedented legal action to try to revoke that waiver," CARB Chair Mary Nichols told Bloomberg.

A great deal is at stake: For 40 years, our national security worries have multiplied because of our foreign oil dependence, costing well over \$1 trillion to defend access to that oil. That threat is ameliorating today, because of increased domestic oil production and a more efficient auto fleet, but are we really dumb enough to give back this leverage we finally wrested from OPEC?

U.S. automakers, too, are facing massive competition. Electric vehicles, autonomous cars, and ridesharing services are moving in — their world is changing fast. Does that require relaxed fuel efficiency standards to give them breathing space? Quite the opposite.

China, Europe, and other countries are demanding cleaner, more efficient cars. If we relax our standards, our automakers will relax their imperative to innovate, and they will get crushed by foreign competition.

We already saw this movie. In 1986 General Motors and Ford requested a federal fuel efficiency rollback, and the Reagan administration complied, so until 2012, U.S. automakers added power and weight while Japanese and German competitors added new efficiency technologies. This helped drive two of the big three U.S. car companies into bankruptcy.

Strong standards make strong companies. If we demand safer cars, we get them. If car makers are required to make more efficient cars, well, they do that too.

Finally, we would be roundly anti-science to give up the climate benefits of more efficient cars. While this may be happening in Trump's EPA, it is hard to think of a better way to squander our American, or our global future, than throwing fuel efficiency in reverse.

E&E Greenwire

https://www.eenews.net/greenwire/stories/1060073771/search?keyword=EPA

EPA oversight of states inconsistent — IG

By Corbin Hiar, 2/13/18

Under a seven-decade-old law, U.S. EPA is supposed to closely monitor states' regulation of agricultural chemicals used to kill insects and weeds.

But an inspector general report released today said agency oversight of state compliance with the Federal Insecticide, Fungicide and Rodenticide Act has been dangerously inconsistent.

"The EPA cannot ensure that its FIFRA cooperative agreement funding achieves agency goals and reduces risks to human health and the environment from pesticide misuse," the report warns.

Cooperative agreements set out the number and type of pesticide inspections states complete annually and how much they ask EPA to reimburse them for those efforts.

But agency leaders who signed off on the deals "did not consistently assess whether the funding requested by states for compliance inspections was reasonable," the report says. The IG's office "found that EPA funding per planned inspection can vary significantly among state cooperative agreements."

For example, the report notes that North Carolina regulators get an average of \$29 per inspection — the least of any state. On the other end of the scale is Oregon, where EPA pays \$2,767 for each inspection of businesses that make, buy, sell or spray pesticides.

Another problem flagged by Inspector General Arthur Elkins: "EPA did not use the performance of state pesticide programs to help inform EPA-funded work plans and did not sufficiently monitor the programs' performance."

Regional EPA officials tasked with overseeing state FIFRA implementation "routinely approved and funded state work plans that committed to a low number of planned inspections relative to the number

of inspections actually completed the previous year without adjusting goals or expectations," the report says.

The IG called for EPA to develop guidance to help regional officials determine "whether funding is reasonable given projected work plan tasks" and to "conduct a national review of state work plans and performance" to verify the consistent application of that guidance.

Susan Bodine, EPA's assistant administrator for enforcement and compliance assurance, agreed to implement both recommendations by November 2019.

EPA has currently granted primary enforcement of FIFRA, which was enacted in 1947, to all states other than Wyoming, according to the IG. The law, however, doesn't allow EPA to let tribes take the lead on regulating pesticides.

Last year, the IG also raised concerns about EPA's oversight of imported pesticides (Greenwire, Sept. 28, 2017).

E&E Climatewire

https://www.eenews.net/climatewire/stories/1060073665/search?keyword=EPA

White House plan erodes oversight in floodplains

By Daniel Cusick, 2/13/18

The Trump administration believes the federal environmental review process for building new infrastructure in floodplains is redundant, duplicative and inconsistent.

Its solution? Give more authority to states and eliminate environmental peer reviews by federal agencies.

Under its sweeping infrastructure plan released yesterday, the White House called for a further devolution of authority from agencies such as the Department of Transportation, the Interior Department and U.S. EPA, each of which holds some sway over the permitting of roads, bridges, pipelines and other infrastructure near wetlands and U.S. waters.

The Trump policy would shrink that federal oversight by expanding programs that allow states to shoulder more responsibility for enforcing the National Environmental Policy Act.

One of those is the DOT's "NEPA Assignment Program," currently in use by six states: Alaska, California, Florida, Ohio, Texas and Utah. The program gives those state agencies primacy over many aspects of the siting and permitting of highways and bridges, but the law does not extend state authority to floodplain and noise concerns.

"This inconsistent treatment diminishes the effect of the NEPA assignment program," says the 53-page infrastructure plan. "It causes the environmental review process assumed by a state to be interrupted or impacted by federal approvals or determinations during an environmental review that otherwise has been fully assumed by the states."

Environmentalists have long resisted efforts to shift floodplain management decisions to states, in part because many states lack the human and financial resources to identify, monitor and protect sensitive shorelines and other vulnerable waters from harmful development.

"This proposal doesn't begin to respond to the scale of assistance local communities need to cope with these mounting impacts — it merely shifts the burden of rebuilding our nation's crumbling infrastructure onto state and local budgets which are already strapped," Ken Kimmell, president of the Union of Concerned Scientists, said in a statement.

"Meanwhile, local leaders around the country are begging for help because they need to make their communities more resilient to hurricanes, floods, wildfires and other extreme events that climate change is making worse," he added.

R.J. Lehmann, a senior fellow at the R Street Institute, a Washington, D.C.-based free market think tank, said his organization generally endorses the idea of giving states more authority over floodplain management, so long as the federal government makes clear where the floodplain is.

"If you simply define the [construction] standard as 2 feet above base flood elevation, that's pretty clear. It shouldn't require an enormous amount of additional effort to figure that out," he said.

Chad Berginnis, executive director of the Association of State Floodplain Managers, said in an email that he was unsure how much the NEPA reforms, if put into effect, would change the way state regulators do their jobs.

"A state agency with the delegated authority would still need to follow the appropriate federal agency's guidelines [and] more importantly any federal executive orders on floodplain management," he said. "Of course, where this would be a big deal is if legislations that implement such an idea were to waive NEPA altogether."

The infrastructure plan stops short of scrapping NEPA, but it does call for sweeping changes to the nearly 50-year-old environmental law that serves as the foundation for much of the nation's environmental regulations, including rules governing development in floodplains.

For example, the plan proposes eliminating peer review of decisions involving the Army Corps of Engineers, which has broad oversight over development near rivers, lakes, wetlands and waters.

Under Section 404 of the Clean Water Act, the EPA administrator has final say over whether a project would impact a "navigable water," which would make it subject to tougher environmental restrictions. The White House wants to remove EPA from such decisions, including its veto authority under Section 404, shifting full authority for those determinations to the Army Corps.

"USACE has decades of experience and expertise in jurisdictional matters, providing the public approximately 59,000 written jurisdictional determinations per year," the plan says. "Establishing the Secretary of the Army's authority to make jurisdictional determinations under the Clean Water Act would eliminate duplication of work and streamline permit decisions."

But many environmental groups were not buying the White House's rationale.

"This isn't a plan," said Bob Wendelgass, president and CEO of Clean Water Action. "It's a scam to sell off our roads, bridges and other vital infrastructure to wealthy corporations while gutting the bedrock laws that have protected our water, air and health for decades."

New York Times

https://www.nytimes.com/2018/02/12/climate/drinking-water-safety.html?rref=collection%2Ftimestopic%2FEnvironmental%20Protection%20Agency&action=click&contentCollection=timestopics®ion=stream&module=stream_unit&version=latest&contentPlacement=1&pgtype=collection

Here Are the Places That Struggle to Meet the Rules on Safe Drinking Water By Brad Plumer and Nadja Popovich, 2/12/18

WASHINGTON — To ensure that tap water in the United States is safe to drink, the federal government has been steadily tightening the health standards for the nation's water supplies for decades. But over and over again, local water systems around the country have failed to meet these requirements.

In a new study published in the Proceedings of the National Academy of Sciences, researchers found that, since 1982, between 3 and 10 percent of the country's water systems have been in violation of federal Safe Drinking Water Act health standards each year. In 2015 alone, as many as 21 million Americans may have been exposed to unsafe drinking water.

The problem is particularly severe in low-income rural areas, the study found. And the researchers identified several places, including Oklahoma and West Texas, that have repeatedly fallen short in complying with water safety rules issued by the Environmental Protection Agency over the past decade.

"These are often smaller communities flying under the radar," said Maura Allaire, an assistant professor of urban planning at the University of California, Irvine, and a lead author of the study. "They're struggling to maintain their aging infrastructure, and they're struggling to keep up with the latest water treatment techniques."

Concerns about the safety of America's tap water gained national prominence after the 2015 crisis in Flint, Mich., when residents discovered dangerously high levels of lead in their drinking water. Since then, a barrage of reports have revealed that a surprisingly large number of local water systems serving millions of Americans sometimes contain unsafe levels of contaminants like lead, nitrates, arsenic or pathogens that can cause gastrointestinal diseases.

In many cases, it can be unclear whether such contamination is isolated or evidence of a deeper systemic problem at a water utility.

To address that issue in this newest study, Dr. Allaire and her co-authors looked for patterns in health-based violations over time at 17,900 local water systems around the United States between 1982 and 2015. She said one question guiding the research was "What kind of factors make some water utilities more susceptible than others?"

One striking finding: Health violations for drinking water surged in rural areas in the 2000s after the E.P.A. enacted regulations focused on disinfectants. Utilities have long used chlorine or other chemicals to disinfect their drinking water supplies. But this process has a troubling side effect. Those chemicals can react with organic matter in the water to create new compounds that may pose their own health risks.

In recent years, the E.P.A. has required water utilities to limit these disinfectant byproducts, though doing so can be costly and technically challenging. That often poses difficulties for rural water utilities with smaller customer bases and fewer financial resources.

"Many of these smaller utilities have just a handful of people who are charged with managing the entire system," said Manuel P. Teodoro, a political scientist at Texas A&M University who has studied the challenges facing small and rural water utilities.

He noted that this research suggests one possible strategy for improving water quality in rural areas: States might provide aid to help smaller water utilities merge and consolidate into larger systems that are better able to comply with complex safety rules. California has been exploring such an approach.

Dr. Allaire and her co-authors also found that water systems that serve minority and low-income communities were more likely to violate federal standards around coliform bacteria, which frequently accompany disease-causing pathogens. Their research also showed that privately owned utilities had fewer violations than publicly owned utilities, and that larger water systems tended to have fewer violations than smaller systems.

The whole point of tracing these patterns, Dr. Allaire said, was to help policymakers understand which parts of the United States might require additional scrutiny or assistance in meeting national water quality standards. "Otherwise," she said, "we have no systematic way to identify problems and set priorities."

This new study may understate the full extent of problems with the nation's drinking water systems, said Kristi Pullen Fedinick, a scientist with the Natural Resources Defense Council, an environmental group that conducted its own nationwide survey of Safe Drinking Water Act violations last year.

State governments are largely responsible for implementing federal water-quality standards, and the quality of monitoring and enforcement can vary significantly. Some states have cut back on budgets for their drinking water programs, and many communities focus on tracking just a handful of key contaminants like coliform or disinfectant byproducts. That means potential violations involving other contaminants, like lead, may go underreported.

"On a national scale, we know that there's a huge amount of underreporting," Dr. Fedinick said.

In recent years, the E.P.A. and Justice Department have often been reluctant to penalize states or municipalities that fall behind on enforcement or reporting. The federal government can, however, provide technical assistance and funding to water utilities that are struggling with health violations.

Scott Pruitt, the head of the E.P.A., has expressed interest in modernizing the nation's water infrastructure, telling Congress this month that he wants to declare a "war on lead." He has not yet detailed a plan for doing so, although he has supported increases in funding for an E.P.A. program that can provide low-interest loans for state water projects.

But environmental groups like Natural Resources Defense Council have viewed Mr. Pruitt's promises with suspicion, asserting that the Trump administration's push for sharp budget cuts to other important federal drinking water programs at both the E.P.A. and the Department of Agriculture could end up undercutting water safety.

Bloomberg

https://www.bloomberg.com/news/articles/2018-02-12/safety-of-heavier-cars-may-be-used-to-lower-u-s-fuel-efficiency

Safety Gains From Heavier Cars May Be Cited to Cut Mileage Rules

By Ryan Beene and John Lippert, 2/12/18, 3:36 PM

The Trump administration is said to be reviewing the safety advantages of heavier cars -- a point of controversy among researchers -- as it considers lowering future automotive fuel economy targets by as much as 23 percent.

The National Highway Traffic Safety Administration is evaluating the implications of weaker targets as the Trump administration and California regulators discuss the fate of ambitious standards charted under President Barack Obama, according to documents obtained by Bloomberg News.

One advantage of the change the agency cites in the documents would be a potential drop in highway deaths, which have been stubbornly rising in recent years.

For example, one scenario in the draft NHTSA analysis would permit an average fleetwide fuel economy standard of 35.7 miles per gallon by 2026, down from a 46.6 miles per gallon under the Obama-era target. Traffic fatalities would be reduced by an average of nearly 1,200 per year from 2036 through 2045, according to the analysis.

NHTSA officials are considering highlighting those safety implications when the agency releases a range of proposed future fuel economy standards, according to a person familiar with the matter. A spokeswoman for NHTSA didn't respond to a request for comment on the documents.

NHTSA Acting Administrator Heidi King said in January that the agency would issue a notice of proposed rulemaking on March 30. The EPA plans to decide by April 1 whether its separate tailpipe emissions standards for cars and light trucks for model years 2022 through 2025 should be revised.

The documents show the factors that NHTSA officials are considering as they prepare to put fuel economy rules in place at least for model years 2022 to 2025. They also provide a glimpse into the talks between NHTSA, the Environmental Protection Agency and California regulators as they decide the fate of one of the Obama administration's signature environmental policies.

NHTSA first enacted its Corporate Average Fuel Economy standard in the aftermath of the 1973 Arab oil embargo. In 2009, they were linked with tailpipe greenhouse gas emissions standards set by the EPA and the California Air Resources Board under a deal brokered by the Obama administration.

Weakening the standards could set the Trump administration on a collision course with California environmental officials, who have vowed to defend their own efficiency standards.

On Saturday, the ARB said it hasn't received a formal proposal from NHTSA and so couldn't comment specifically. The state remains convinced that California is helping U.S. manufacturers remain competitive by prodding them to invest in electric cars and other fuel-saving technologies, according to Stanley Young, an ARB spokesman. The U.S. government would be taking an "unwise" step if it rolls back its requirements now, he said.

Dan Becker, director of the Safe Climate Campaign, pushed back against the notion that fuel economy standards contributed to traffic deaths, noting that fatalities have declined while fuel economy standards have become more stringent since they first took effect in the 1970's.

"The reason is better technology and design, not the changing weight of vehicles," said Becker, whose organization is affiliated with the Center for Auto Safety.

Researchers have studied the relationship between vehicle mass and highway deaths for decades. All things being equal, larger and heavier vehicles provide drivers and passengers with better protection in a crash, according to the Insurance Institute for Highway Safety.

A 2001 study by the National Academy of Sciences found that the downsizing of vehicles that occurred in the 1970's and 1980's -- whether caused by market forces or fuel economy standards -- may have contributed to 1,300 to 2,600 additional highway deaths in 1993.

The study recommended several changes to the efficiency regulations, including basing fuel economy on an attribute such as vehicle weight. That would mitigate an incentive for automakers to sell smaller, fuel-sipping cars to offset sales of gas-guzzling trucks.

That change was made in 2009, when NHTSA began tying fuel economy targets to a vehicle's "footprint," the area between a vehicle's four wheels.

"IIHS is supportive of the fuel economy standards as implemented," spokesman Russ Rader said. "The Obama-era changes to the rules, essentially using a sliding scale for fuel economy improvements by vehicle footprint, addressed safety concerns that IIHS raised in the past."

Automakers, meanwhile, have deployed new technologies while also shaving weight from cars and trucks. Lighter, stronger materials are increasingly found in vehicles large and small, like Ford Motor Co.'s decision to make the body of its F-150 pickup entirely out of aluminum. Automakers are also looking to deploy electronic stability control, automatic emergency braking and other active safety systems to prevent or mitigate crashes.

NHTSA's draft analysis estimates that reducing the 2026 target to 35.7 miles per gallon would cut the price of new vehicles in 2030 by nearly \$1,800 on average but lead to 77 billion gallons in additional fuel consumption compared to the the Obama-era standards. Other scenarios offer less aggressive cuts to future standards. The document doesn't specify a preferred scenario.

Another one being considered by NHTSA would require a 42.1 mile-per-gallon fleet average in 2026 and would lead to a projected 675 fewer highway deaths per year over a decade starting in 2036, according to the document. New vehicle costs in 2030 would be \$1,275 less on average some 49 billion gallons in additional fuel would be burned, the document shows.

Today, the federal rules are aligned with California's tailpipe standards as part of a deal struck by Obama regulators to raise the average fuel economy of new cars and light trucks to more than 50 miles per gallon by 2025. That translates to roughly 36 miles per gallon in real-world driving.

Even if NHTSA weakens its fuel economy rules, the Trump administration could choose to allow the EPA to continue strengthening its greenhouse gas emission limits so that they remain aligned with California's, said Robert Bienenfeld, assistant vice president for Honda Motor Co.'s U.S. environmental policy.

Such an agreement could even extend out to 2030, the time frame for which California is already preparing tougher rules, Bienenfeld said.

But to support such a plan, Honda would want some additional changes, he said. These include streamlining the rules to avoid added costs that don't help the environment, and periodic reviews to make sure they're having the desired impact. Honda would also support, he said, changing an Obamaera rule so that energy companies rather than automakers will be accountable for emissions that occur when they generate electricity for battery-powered cars.

The draft also indicates NHTSA may propose standards for as early as the 2021 model year and as far in the future as model year 2026, giving automakers additional time to achieve reductions in fuel consumption.

"Setting a long-term direction through 2030 would be very helpful for the industry, and having the EPA and California aligned so we continue to have one national market in the U.S. would be extremely beneficial for consumers and manufacturers alike," Bienenfeld said. "I'm sure Honda is not alone in advocating this," he said, referring to other automakers.

E&E Greenwire

https://www.eenews.net/greenwire/stories/1060073773/search?keyword=EPA

After court order, EPA sets hearing on Conn. petition By Sean Reilly, 2/13/18

U.S. EPA is moving to comply with a federal judge's ruling last week on a lawsuit brought by Connecticut, albeit not precisely how the state wanted.

In the ruling, Senior U.S. District Judge Warren Eginton of Connecticut ordered EPA to hold a public hearing within 30 days on its proposed decision on the state's 2016 petition seeking a crackdown on Brunner Island Steam Electric Station, a Pennsylvania power plant whose emissions are blamed for contributing to Connecticut's ozone problems (E&E News PM, Feb. 7).

But while Connecticut Attorney General George Jepsen (D) had asked that the hearing take place in his state, EPA will instead hold it Feb. 23 at agency headquarters in Washington, according to a notice set for publication in tomorrow's Federal Register.

A Jepsen spokeswoman declined to comment this morning. Under Eginton's ruling, EPA must make a decision on the petition within 60 days. In the notice, EPA said it will issue its proposed response in the near future.

Madison.com

http://host.madison.com/news/local/govt-and-politics/wisconsin-dnr-s-no-to-rejoin-cathy-stepp-atepa/article_e1fbddd1-4b71-5b03-a31b-5cd1569fd83b.html

Wisconsin DNR's No. 2 to rejoin Cathy Stepp at EPA By Steven Verburg, 2/12/18

Wisconsin Department of Natural Resources' second in command is following former agency secretary Cathy Stepp to the U.S. Environmental Protection Agency office in Chicago, the DNR said Monday.

Kurt Thiede was a career DNR employee who was appointed deputy secretary by Republican Gov. Scott Walker in 2015. Unlike Stepp, Thiede holds a college degree and a background in the sciences. He was hired in 1999 to work in DNR wildlife management office.

Thiede will become Stepp's chief of staff in the EPA Region 5 office that oversees six Great Lakes states including Wisconsin, DNR spokesman Jim Dick said.

Stepp, a former home builder and Republican activist who campaigned for Donald Trump, has been criticized for her questioning of climate change science and her role in weakening environmental protection in Wisconsin.

Thiede helped lead a major reorganization of the DNR that was aimed at reducing the work the agency did and making it more efficient after two decades of reductions in workforce. The department's shortcomings in protecting water quality have been highlighted by the EPA and the nonpartisan state audit bureau.

Assistant deputy secretary Ed Eberle will move into Thiede's DNR post. Eberle joined the DNR in 2015 after working about 20 years in the Legislature, and the state department of administration.

DNR environmental management division administrator Patrick Stevens will fill the assistant deputy secretary. Before joining the DNR in 2011, Stevens served as counsel for the Wisconsin Transportation Builders Association and environmental policy director for the state business lobby, Wisconsin Manufacturers and Commerce.

Walker made the appointments of Eberle and Stevens effective Feb. 19.

Walker hired Stepp in 2011 to make the department friendlier to business. Last year replaced her with former GOP lawmaker Dan Meyer.

"I look forward to working with these two accomplished people in their new leadership roles," Meyer said. "Their knowledge, experience and dedication to our mission and values will help guide us as we move forward."

E&E Greenwire

https://www.eenews.net/greenwire/stories/1060073759/search?keyword=EPA

Judge rejects Gold King contractor's bid to dismiss lawsuits By Amanda Reilly, 2/13/18

A federal judge rejected yesterday most of a U.S. EPA contractor's bid to dismiss lawsuits over the Gold King abandoned mine spill.

Senior Judge M. Christina Armijo of the U.S. District Court for the District of New Mexico ruled New Mexico and the Navajo Nation could bring claims against the contractor, Environmental Restoration LLC, under both federal hazardous waste laws and state law.

But the path forward for litigation over the 2015 incident is still murky, despite the judge's issuance of a 69-page opinion.

The case was reassigned yesterday to Chief U.S. District Judge William Johnson. Armijo, who is a George W. Bush appointee, took senior status last week. She has not yet ruled on other motions to dismiss in the case, including one filed by EPA.

The court also put off a decision on whether requests for injunctive relief are barred because EPA has begun Superfund cleanup activities at the abandoned mine, due to disputes among the parties on the scope of EPA's work.

The U.S. Judicial Panel on Multidistrict Litigation, meanwhile, is still considering whether to consolidate all cases over the Gold King mine spill, including litigation filed by the state of Utah, in one district court.

In August 2015, EPA contractors accidentally triggered the rupture at the Gold King site, sending 3 million gallons of toxin-laced water into the Animas and San Juan rivers, which then flowed through a corner of New Mexico into Utah.

Both New Mexico and the Navajo Nation filed suit over the spill in the New Mexico district court, seeking to recover damages.

The district court is currently deciding whether allowing the plaintiffs to file amended complaints would be "futile" because of the pending motions to dismiss.

In its motion, EPA contractor Environmental Restoration argued that it did not have control over any of the actions that caused the spill and that the hazardous waste law bars citizen suits over ongoing cleanup actions at EPA Superfund sites. EPA added the Gold King site to the Superfund National Priorities List in September 2016.

But Armijo yesterday found that the allegations brought by New Mexico and the Navajo Nation were sufficient to state claims of liability under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA).

Environmental Restoration could be found liable as an operator, an arranger or a transporter under CERCLA, Armijo ruled.

The judge also rejected the contractor's recommendations that both New Mexico and the Navajo Nation's claims for monetary damages under state law should be dismissed because they are preempted by CERCLA.

New Mexico is seeking damages for suffering what it says are special injuries, including lost economic activity and tax revenues, due to the spill.

"There is no authority for concluding that the claims are preempted," Armijo wrote.

She also rebuffed Environmental Restoration's attempt to raise the "government contractor defense" as a shield from liability under state law claims at this point in the litigation. The defense is used in certain cases when contractors are liable for work done for the federal government.

"ER has not persuaded the Court that it is plainly entitled to application of the government contractor defense based on the allegations in the proposed amended complaints," Armijo wrote, though she noted that Environmental Restoration could still raise the defense later in the court proceedings.

While Armijo rejected most of Environmental Restoration's arguments, she did grant the contractor's motion to strike claims for joint and several liability under state law, finding that Colorado law applies in the case since the pollution originated there. Colorado has abolished joint and several liability, under which a plaintiff can recover all damages from any of the defendants regardless of their share of liability.

The district court is continuing to hold New Mexico and the Navajo Nation's amended complaints in abeyance until it decides on the remaining motions to dismiss.

Chicago Tribune

http://www.chicagotribune.com/suburbs/post-tribune/news/ct-ptb-east-chicago-intervener-status-order-st-0213-20180212-story.html

Judge denies East Chicago residents role in cleanup negotiations

By Craig Lyons, 2/12/18, 4:35 PM

East Chicago residents who wanted a larger voice in the cleanup process at the U.S.S. Lead Superfund site lost their bid in federal court.

Federal Judge Philip Simon ruled late last week against a request from residents to intervene in court proceedings between the U.S. Department of Justice, U.S. Environmental Protection Agency and companies held responsible for the pollution in East Chicago's Calumet neighborhood. Simon's ruling concurred with a prior opinion from a magistrate judge that the residents' request came too late in the process.

"While I am sympathetic to the concerns of the citizens who seek better action from their government, and particularly from the EPA, ultimately, I agree with Judge (Paul) Cherry," Simon wrote. "Intervention in a case that has been closed for two years, and where there are settled expectations by the parties, strikes me as a dubious proposition."

A group of residents and advocacy organizations in 2016 filed in federal court to get intervener status in the case between the companies held responsible for the contamination in the Calumet neighborhood and the EPA and DOJ. The residents argued, in court filings, that recent developments at the site and changes to the remediation plans should lead to them having a role in court proceedings.

Federal Magistrate Judge Paul Cherry, in his order, said that residents received notice of the EPA's cleanup plan in 2012 and the 2014 consent decree filed in court and published in the federal register, noting both those events provided opportunities for them to comment.

"Applicants should have known about their interest in this case two years prior to their filing the motion to intervene," Cherry wrote.

Attorneys for the residents argued that the judge should have considered the element of timeliness in the context of the history of the site, where it took decades to stop companies from polluting the neighborhood; the EPA didn't declare it a Superfund site for 24 years; funding for the cleanup wasn't negotiated until five years after the Superfund designation; significant clean up didn't start for two years; and the EPA, in 2016, began telling residents about the high levels of contamination.

"I will admit that pointing to the citizens' lack of timely action seems a bit unfair. The irony of the situation is not lost on me," Simon said in the order. "The defendants in this case (or their predecessor companies) polluted the areas in East Chicago going all the way back to the year 1900."

"What's more, the EPA has known of the environmental harm in the affected areas for several decades but only relatively recently took action to begin to ameliorate the problem," Simon added. "For the citizens to now be told that they are the ones that are too late is probably a little hard to swallow."

Simon said the case law is clear and the delay in filing for intervener status "weighs heavily" in finding the motion untimely.

"The applicants are understandably frustrated with the slow pace at which the clean up process has occurred. The government has known about these risks for a long, long time," Simon wrote. "But the government and the defendants have been in agreement on the remedy for over three years at this point."

Reuters

https://www.reuters.com/article/syngenta-epa/syngenta-seeds-settles-hawaii-pesticide-exposure-action-by-epa-idUSL2N1Q3025

Syngenta Seeds settles Hawaii pesticide-exposure action by EPA By Barbara Grzincic, 2/12/18, 7:44 PM

Syngenta Seeds has reached a \$550,000 settlement with the U.S. Environmental Protection Agency over allegations that workers at Syngenta's former research farm on Kauai, Hawaii were twice sent into fields that had recently been treated with dangerous pesticides, the EPA announced on Monday.

Dean Haguchi, an EPA spokesman in Honolulu, said in an email Monday that the settlement is the largest the agency has reached, nationwide, under the Worker Protection Standard of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA). It includes a \$150,000 civil penalty and a promise to spend at least \$400,000 on training for small growers in EPA Region 9, which includes Hawaii, Guam and the Northern Mariana Islands.